

Buying shares in a private company

FACT SHEET

How does it work?

SSAS can invest into start up businesses, or firms which attract good growth prospects in the UK. This can take the form of a share subscription in the company

Is it tax efficient?

Yes, it can be very tax efficient as the income and gains are tax exempt in your pension fund. Dividend distributions are also tax exempt.

What type of businesses can I acquire shares in?

If the business is a trading company, and it's trade activities do not involve residential property development, build or associated activities, you can invest into most businesses registered at companies house UK and Scotland.

Can I purchase shares in the company that sponsors my SSAS?

You can, provided it is less than 5% of the value of your pension fund.

Can I purchase shares in an investment company?

You can acquire shares in an investment company but the firm offering those shares must meet FCA rules as well as companies act requirements. We expect the investment company to be FCA regulated.

How much of my pension fund can invest?

It must be prudent in it's amount.

Can I invest in shares in a company I am connected to ?

Generally speaking no. You need to be careful, as the rules regarding this can be complex and you need to consider the meaning of a connected party.

What is a connected party?

In the context of the UK Companies Act, the term "connected party" refers to individuals or entities that have a close relationship with a company, its directors, or its shareholders. While the specific definition can vary depending on the section of the Act being referred to, generally, connected parties can include:

Directors: This includes both current and sometimes past directors of the company.

Family Members of Directors: This often includes the director's spouse, civil partner, children, and sometimes extended family members who might be seen to exert influence or have a significant connection to the director.

Entities Controlled by Directors or Their Families: This can include other companies, trusts, or partnerships where a director or their family members have significant control or influence.

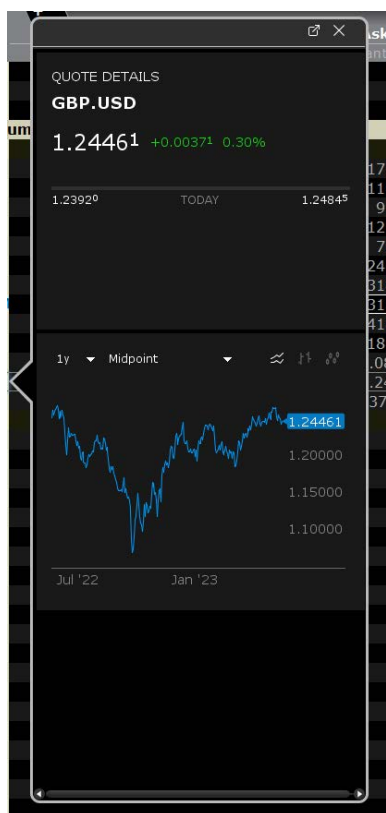
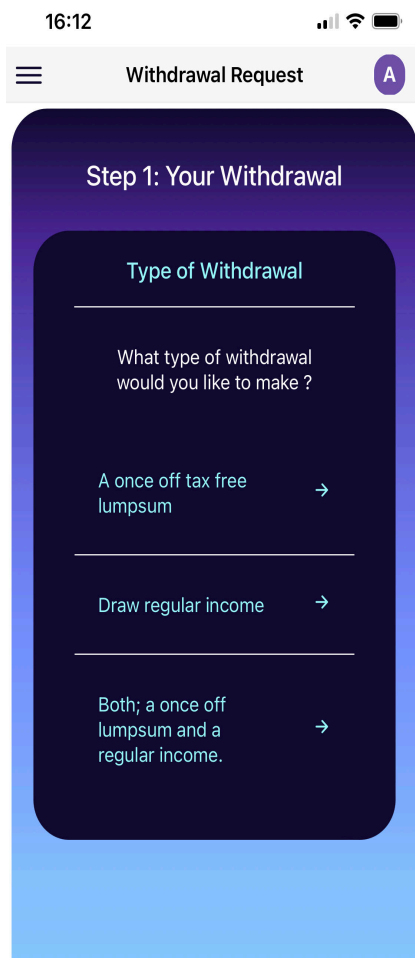
Substantial Shareholders: These are individuals or entities that hold a significant portion of the company's shares and, as a result, may have considerable influence over the company.

The small print ...

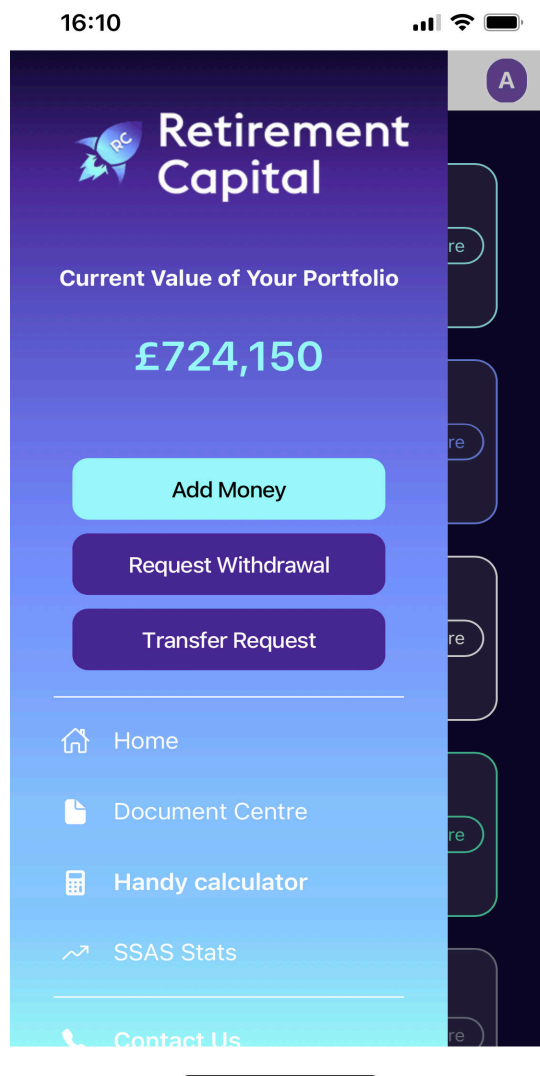
If the company you wish to invest into falls within the connected party rules, now or in the future, you cannot invest in the company if it holds on it's balance sheet wasting assets above £6,000 at any time. That company cannot also hold residential property.

Wasting assets are basically anything that can be amortised in the accounts, such as computer equipment, a company vehicle, stock ad goods.

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16:12
Withdrawal Request
Step 1: Your Withdrawal
Type of Withdrawal
What type of withdrawal would you like to make?
A once off tax free lumpsum →
Draw regular income →
Both; a once off lumpsum and a regular income. →



16:10
Retirement Capital
Current Value of Your Portfolio
£724,150
Add Money
Request Withdrawal
Transfer Request
Home
Document Centre
Handy calculator
SSAS Stats
Contact Us

Via your mobile app or on a desktop device.

