



The Rt Hon Emma Reynolds MP  
Minister for Pensions  
Department for Work and Pensions  
By Email

13 February 2025

Dear Emma,

I am writing to seek clarification on the effects of upcoming changes to the triple lock and state pension increases on the tax liabilities of my constituents. I am concerned that many pensioners will be unknowingly pushed into paying income tax and face unexpected tax bills, especially given that the personal tax allowance is frozen at £12,570 until 2028 while the state pension is set to rise by 8.5% in April 2024.

My constituents have raised concerns that the current freeze on the personal tax allowance until 2028 means that, as state pensions rise with the triple lock, more pensioners will be drawn into the tax system. Recent data from HMRC shows that the number of pensioners paying income tax has already grown from 6.47 million in 2020/21 to an anticipated 8.51 million by 2024/25. Furthermore, the Office for Budget Responsibility projects that by 2027/28, up to 3.8 million more people will be paying income tax due to the continued threshold freeze.

Many pensioners have carefully planned for their retirement based on previous tax policies and are now faced with the prospect of unexpected tax bills. This is exacerbated by the Department for Work and Pensions policy of not operating PAYE automatic deductions for state pensions. Those affected would therefore need to navigate the complexities of submitting a self-assessment or dealing with tax returns for the first time, adding unnecessary stress and administrative hurdles.

There is also a significant risk that pensioners may not realise they owe taxes until they receive an unexpected bill from HMRC. I am concerned about the confusion and financial stress this could cause, and that some pensioners may even mistake tax letters for scams.

I would be grateful if you could clarify whether the government is considering implementing measures to protect against pensioners being unknowingly drawn into the tax system, and whether there will be steps to ensure that those who do become liable for income tax are adequately informed of any changes to their obligations and supported in navigating these complexities.

Thank you for your attention to this matter. I look forward to your response.

Best wishes,

Ellie Chowns MP, North Herefordshire.