Expats to lose their state pension if they neglect paperwork

Expats need to return their paperwork quickly, or they risk losing their state pension

By Sarah Coles Mar 24, 2015
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UK pensioners living overseas need to stay on top of their paperwork, or they'll lose their state pension. On a regular basis, expats aged over 75 receive forms from the Department of Work and Pensions, asking them to prove they are still alive. Each time, they have just nine months to complete forms and send them back. If they miss the deadline, the government will assume they have passed away, and their pension will be cut off.

The forms were introduced back in December 2013, to stop people fraudulently claiming the pensions of expats who had died. The government said at the time it would save £45 million in fraudulent payments.

Some countries, including Spain, Australia, the US and New Zealand, automatically share this information with the UK, so in those countries there's no need for the forms. However, a large number of countries don't share the information - including France - so if you live in any of these, you will need to prove you are still alive on a regular basis once you reach the age of 75.

Forms are sent out every two years, and need to be signed and witnessed by a doctor or lawyer, before being sent back within the deadline. Pensioners living in countries deemed to be high risk will be asked to do it more often.

Expats under pressure

Expats are already facing a number of unwelcome new measures this year. For the first time they will have to pay capital gains tax on any property they sell in the UK, and they will no longer receive their £300 winter fuel allowance.

Depending on where they retire to, they may also be dealing with frozen pension payments. In countries which have no reciprocal agreement with the UK - such as Australia, New Zealand, South Africa and Canada - the level of the state pension is frozen at the point at which you retire, rather than rising with inflation. It means that someone retiring to Canada in 2003, for example, has a state pension worth 42% less than someone retiring on the same day in the UK.

A cynic might point out that once an expat has lived outside the UK for more than 15 years, they no longer have any right to vote in British elections, so when the government is looking for cuts it can make without hurting voters, it must be tempting for them to target expats.

However, with six million Brits planning to retire overseas, there are still plenty of voters who will be disturbed by the increasing financial pressure on expat pensioners.

But what do you think? Are expats being unfairly targeted? Let us know in the comments.

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