RESEARCH BRIEF · 24 SEPTEMBER 2026

UK Over-75s Pull £1.4bn From Pensions as Inheritance Tax Net Widens

UK over-75s withdrew more than £1.4bn in pension lump sums in 2024, up 35% year on year, as they race to act before unused pension pots become liable to inheritance tax from April 2027. The trend signals a broader wave of UK ...

MEDIUM	7.4	23 September 2026	7/10
INVESTOR IMPACT	SIGNIFICANCE SCORE	EVENT DATE	SOURCE RELIABILITY

Bradley James
Associate Director & Senior Investment Advisor

EXECUTIVE SUMMARY

01 UK Over-75s Pull £1.4bn From Pensions as Inheritance Tax Net Widens

New analysis from Lubbock Fine Wealth Management shows that people aged 75 and over withdrew more than £1.4bn in lump sums from their private pensions in 2024, a 35% increase on the £1bn withdrawn the year before. The number of over-75s taking lump sums jumped 27%, from 65,900 to 83,800. The driver is a change announced at the Autumn Budget in October 2024: from April 2027, unused private pension pots and certain pension death benefits will become liable to UK inheritance tax for the first time. This is not a Dubai story on its face, but it is a direct read on the mindset of the exact demographic Bradley works with. When a government widens the reach of inheritance tax into assets that were previously shielded, older UK holders of capital respond by moving faster to restructure what they own and where they hold it.

- Over-75s withdrew more than £1.4bn in pension lump sums in 2024, up 35% from £1bn in 2023
- The number of over-75s taking lump sums rose 27%, from 65,900 to 83,800 people
- From April 2027, unused pension pots and certain pension death benefits become liable to UK inheritance tax
- The rule change was announced at the Autumn Budget in October 2024, giving investors a multi-year run-up to react
- This is one data point from one wealth management firm's analysis, not a market-wide census
- The behaviour shown here, moving early ahead of a tax deadline, is the same instinct that brings UK investors to ask about Dubai

THE EVENT

02 What happened, and why it matters

WHAT HAPPENED

According to analysis by Lubbock Fine Wealth Management reported by Rest Less on 23 September 2026, almost 84,000 people aged 75 and over withdrew lump sums from their private pensions in 2024, the latest year for which data is available. The total withdrawn was more than £1.4bn, a 35% increase on the £1bn withdrawn the year before. The number of over-75s taking withdrawals rose 27%, from 65,900 to 83,800. Andrew Tricker, a Chartered Financial Planner at Lubbock Fine Wealth Management, attributed the surge to the government's move to bring pensions into the inheritance tax net. The underlying policy change was announced at the Autumn Budget in October 2024: from April 2027, unused private pension pots and certain pension death benefits will become liable to inheritance tax, closing what had been one of the more effective ways to pass wealth to the next generation outside the estate.

WHY IT MATTERS

This is a structural signal, not a one-off headline. It shows that a specific, wealthy, older cohort of UK savers is already acting years ahead of a tax rule that only bites from April 2027. Tricker's own comment points to what comes next: as the first pension pots get hit by inheritance tax, more people are likely to intensify efforts to pass on assets free of it. For UK and overseas investors more broadly, it is evidence that tax policy tightening at home changes behaviour well before the rule itself takes effect, and that the reaction is not limited to pensions. It touches the wider question of where capital should sit and how it should be structured for the next generation.

WHO IT AFFECTS

UK residents aged 75 and over with private pension pots, their families and intended beneficiaries, UK financial planners and wealth managers advising this cohort, and by extension anyone thinking about how UK inheritance tax exposure applies to their total estate, including property and assets held outside pensions.

INVESTOR READ

03 Implications, risks and opportunities

IMPLICATIONS

If you are the person this describes, the pension change is one piece of a bigger puzzle: what you own, where it sits, and what your family actually inherits after tax. The instinct to act early, shown clearly in this data, is the right instinct. But withdrawing a pension lump sum just moves the tax question, it does not answer it. The bigger question is where that capital goes next and whether it ends up in an asset and a jurisdiction that protects it for the next generation rather than simply relocating the same exposure.

RISKS

Be straight with you on the limits here. This is one firm's analysis of one asset class, private pensions, using 2024 data, the latest year available, not a live or comprehensive picture of UK household wealth movement. It says nothing directly about property, Dubai, or any specific reallocation destination, and it should not be read as proof that this capital is heading to real estate or overseas at all. Tax rules can also change again before April 2027, and any decision to withdraw a pension lump sum early carries its own tax and income consequences that need proper UK financial advice, not a real estate lens.

OPPORTUNITIES

For investors who are already rethinking how UK-based wealth is taxed on death, this is a moment to look at the full picture, not just the pension pot. A property held in a zero personal income tax jurisdiction with clear title and escrow-protected off-plan structures is a different kind of asset to a pension pot, and it sits inside a different set of rules. Whether that is right for any individual depends entirely on their own estate position and tax advice, but the direction of travel, UK tax policy narrowing the shelters available at home, is exactly why this conversation is happening more often.

WHAT TO WATCH

Watch for further data from wealth managers and HMRC on pension withdrawal rates as April 2027 approaches, and for any government clarification or amendment to how unused pension pots and death benefits will be valued and taxed under the new inheritance tax rules.

THE BOTTOM LINE

04 What this means for Dubai investors

THE MEANING

This signal does not mention Dubai, and it should not be dressed up as one. What it tells Bradley's audience is that the clock is now visibly running for UK holders of pension wealth, and that people are already moving. For anyone who already holds, or is considering, Dubai property as part of a wealth protection strategy, it is a reminder that the UK side of the equation is not standing still either. Dubai's zero personal income tax regime and dollar-pegged currency are relevant only as one part of a much larger, individually tailored estate conversation, not as a substitute for pension advice.

> *“Here's the thing about this data. It's not really a pensions story, it's a confidence story. When 84,000 people over 75 start pulling money out of a wrapper they've held for decades, years before the rule that's meant to catch it even applies, that tells you something about how much trust there is left in the current settlement between UK savers and the tax system. I see the downstream version of this conversation regularly. People aren't calling me about pensions, that's not my lane, but the same instinct, get ahead of it, don't wait for the deadline, shows up when people start asking where else their wealth should sit. I'm not going to pretend a pension withdrawal in London automatically becomes a property purchase in Dubai. It doesn't work like that and anyone who tells you it does is selling you something. What I will say is that the mindset behind this data, acting early on a multi-year tax change rather than waiting for it to bite, is exactly the mindset that makes for a sound long-term*

investor, wherever they end up putting their capital.

BRADLEY JAMES, DUBAI REAL ESTATE INVESTMENT ADVISOR

SOURCES AND VERIFICATION

Rest Less, "Over-75s withdraw £1.4bn from pensions as Inheritance Tax changes loom", Melanie Wright, 23 September 2026, citing analysis by Lubbock Fine Wealth Management

Begin the conversation.

Every allocation starts with a candid, numbers-first discussion shaped around your mandate, risk profile and timeline.

Bradley James

ASSOCIATE DIRECTOR & SENIOR INVESTMENT ADVISOR

Bradley James is an Associate Director and Senior Investment Advisor based in Dubai, specialising in Dubai real estate, off-plan investment, strategic wealth allocation, portfolio diversification, and relocation and residency planning. He advises private investors and family offices on entering the Dubai market with the same rigour he applies to his own capital.

SPECIALISMS

- Dubai Real Estate
- Off-Plan Investment
- Strategic Wealth Allocation
- Portfolio Diversification
- Relocation & Residency Planning

WHATSAPP

+971 56 500 6162

INSTAGRAM

@braddjames

WEB

bradleyjames.website

LOCATION

Dubai, U.A.E.

SOURCES

Rest Less, "Over-75s withdraw £1.4bn from pensions as Inheritance Tax changes loom", Melanie Wright, 23 September 2026, citing analysis by Lubbock Fine Wealth Management

SCAN TO MESSAGE