

---

STATUTORY INSTRUMENTS

---

**1999 No. 3147**

**The Welfare Reform and Pensions  
(Northern Ireland) Order 1999**

**PART V**

**PENSION SHARING**

**CHAPTER II**

**SHARING OF STATE SCHEME RIGHTS**

**Shareable state scheme rights**

**44.**—(1) Pension sharing is available under this Chapter in relation to a person's shareable state scheme rights.

(2) For the purposes of this Chapter, a person's shareable state scheme rights are—

- (a) his entitlement, or prospective entitlement to a Category A retirement pension by virtue of section 44(3)(b) of the Contributions and Benefits Act (earnings-related additional pension), and
- (b) his entitlement, or prospective entitlement, to a pension under section 55A of that Act (shared additional pension).

**Activation of benefit sharing**

**45.**—(1) Article 46 applies on the taking effect of any of the following relating to a person's shareable state scheme rights—

- (a) a pension sharing order under the Matrimonial Causes Order;
- (b) an order under Part IV of the Matrimonial and Family Proceedings (Northern Ireland) Order 1989 (financial relief in Northern Ireland in relation to overseas divorce etc.) corresponding to such an order mentioned in sub-paragraph (a);
- (c) an order or provision to which any of paragraphs (a) to (g) of subsection (1) of section 48 of the Welfare Reform Act applies (pension sharing orders under the Matrimonial Causes Act 1973 and the Family Law (Scotland) Act 1985 and other provisions and orders in Great Britain corresponding to pension sharing orders under those Acts).

(2) The reference in paragraph (1) to paragraphs (a) to (g) of subsection (1) of section 48 of the Welfare Reform Act is to those paragraphs as they have effect subject to the provisions of that section and section 85(5) of that Act.

**Creation of state scheme pension debits and credits**

**46.**—(1) On the application of this Article—

- (a) the transferor becomes subject, for the purposes of Part II of the Contributions and Benefits Act (contributory benefits), to a debit of the appropriate amount, and
  - (b) the transferee becomes entitled, for those purposes, to a credit of that amount.
- (2) Where the relevant order or provision specifies a percentage value to be transferred, the appropriate amount for the purposes of paragraph (1) is the specified percentage of the cash equivalent on the transfer day of the transferor's shareable state scheme rights immediately before that day.
- (3) Where the relevant order or provision specifies an amount to be transferred, the appropriate amount for the purposes of paragraph (1) is the lesser of—
- (a) the specified amount, and
  - (b) the cash equivalent on the transfer day of the transferor's relevant state scheme rights immediately before that day.
- (4) Cash equivalents for the purposes of this Article shall be calculated in accordance with regulations made by the Department.
- (5) In determining prospective entitlement to a Category A retirement pension for the purposes of this Article, only tax years before that in which the transfer day falls shall be taken into account.
- (6) In this Article—
- “relevant order or provision” means the order or provision by virtue of which this Article applies;
  - “transfer day” means the day on which the relevant order or provision takes effect;
  - “transferor” means the person to whose rights the relevant order or provision relates;
  - “transferee” means the person for whose benefit the relevant order or provision is made.

### **Effect of state scheme pension debits and credits**

- 47.**—(1) Schedule 6 (which amends the Contributions and Benefits Act for the purpose of giving effect to debits and credits under Article 46(1)) shall have effect.
- (2) Section 55C of that Act (which is inserted by that Schedule) shall have effect, in relation to incremental periods (within the meaning of that section) beginning on or after 6th April 2010, with the following amendments—
- (a) in subsection (3), for “period of enhancement” there is substituted “period of deferment”,
  - (b) in subsection (4), for “1/7th per cent.” there is substituted “1/5th per cent.”,
  - (c) in subsection (7), for “period of enhancement”, in both places, there is substituted “period of deferment”, and
  - (d) in subsection (9), the definition of “period of enhancement” (and the preceding “and”) are omitted.

### **Interpretation of Chapter II**

- 48.** In this Chapter—
- “shareable state scheme rights” has the meaning given by Article 44(2); and
  - “tax year” has the meaning given by section 121(1) of the Contributions and Benefits Act.