



Finance Act 1989

1989 CHAPTER 26

PART II

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER I

GENERAL

Pensions etc.

75 Retirement benefits schemes

Schedule 6 to this Act (which relates to retirement benefits schemes) shall have effect.

76 Non-approved retirement benefits schemes

- (1) In computing the amount of the profits or gains to be charged under Case I or Case II of Schedule D, no sum shall be deducted in respect of any expenses falling within subsection (2) or (3) below; and no expenses falling within either of those subsections shall be treated for the purposes of section 75 of the Taxes Act 1988 (investment companies) as expenses of management.
- (2) Expenses fall within this subsection if—
 - (a) they are expenses of providing benefits pursuant to a relevant retirement benefits scheme, and
 - (b) the benefits are not ones in respect of which a person is on receipt chargeable to income tax.
- (3) Expenses fall within this subsection if—
 - (a) they are expenses of paying any sum pursuant to a relevant retirement benefits scheme with a view to the provision of any benefits, and

Status: This is the original version (as it was originally enacted).

- (b) the sum is not one which when paid is treated as the income of a person by virtue of section 595(1) of the Taxes Act 1988 (sum paid with a view to the provision of any relevant benefits for an employee).
- (4) No sum shall be deducted in respect of any expenses falling within subsection (5) or (6) below—
 - (a) in computing the amount of the profits or gains to be charged under Case I or Case II of Schedule D, or
 - (b) by virtue of section 75 of the Taxes Act 1988, unless the sum has actually been expended.
- (5) Expenses fall within this subsection if—
 - (a) they are expenses of providing benefits pursuant to a relevant retirement benefits scheme, and
 - (b) the benefits are ones in respect of which a person is on receipt chargeable to income tax.
- (6) Expenses fall within this subsection if—
 - (a) they are expenses of paying any sum pursuant to a relevant retirement benefits scheme with a view to the provision of any benefits, and
 - (b) the sum is one which when paid is treated as the income of a person by virtue of section 595(1) of the Taxes Act 1988.
- (7) In this section—
 - “retirement benefits scheme” has the same meaning as in Chapter I of Part XIV of the Taxes Act 1988, and
 - references to a relevant retirement benefits scheme are references to a retirement benefits scheme which is not of a description mentioned in section 596(1)(a), (b) or (c) of the Taxes Act 1988.
- (8) This section has effect in relation to expenses incurred on or after the day on which this Act is passed.

77 Personal pension schemes

Schedule 7 to this Act (which relates to personal pension schemes) shall have effect.