



# State Pension Credit Act 2002

## 2002 CHAPTER 16

### *State pension credit: entitlement and amount*

#### **1 Entitlement**

- (1) A social security benefit to be known as state pension credit shall be payable in accordance with the following provisions of this Act.
- (2) A claimant is entitled to state pension credit if—
  - (a) he is in Great Britain;
  - (b) he has attained the qualifying age; and
  - (c) he satisfies—
    - (i) the condition in section 2(1) (guarantee credit); or
    - (ii) the conditions in section 3(1) and (2) (savings credit).
- (3) A claimant who is entitled to state pension credit is entitled—
  - (a) to a guarantee credit, calculated in accordance with section 2, if he satisfies the condition in subsection (1) of that section, or
  - (b) to a savings credit, calculated in accordance with section 3, if he satisfies the conditions in subsections (1) and (2) of that section,(or to both, if he satisfies both the condition mentioned in paragraph (a) and the conditions mentioned in paragraph (b)).
- (4) Subsections (2) and (3) are subject to the following provisions of this Act.
- (5) Regulations may make provision for the purposes of this Act—
  - (a) as to circumstances in which a person is to be treated as being or not being in Great Britain; or
  - (b) continuing a person's entitlement to state pension credit during periods of temporary absence from Great Britain.
- (6) In this Act “the qualifying age” means—
  - (a) in the case of a woman, pensionable age; or

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- (b) in the case of a man, the age which is pensionable age in the case of a woman born on the same day as the man.

#### Commencement Information

- I1** S. 1 partly in force; s. 1 not in force at Royal Assent, see s. 22(3); s. 1 in force for certain purposes at 2.7.2002 by [S.I. 2002/1691](#), [art. 2](#)
- I2** S. 1 in force at 6.10.2003 in so far as not already in force by [S.I. 2003/1766](#), [art. 2\(a\)](#)

## 2 Guarantee credit

- (1) The condition mentioned in section 1(2)(c)(i) is that the claimant—
- (a) has no income; or
  - (b) has income which does not exceed the appropriate minimum guarantee.
- (2) Where the claimant is entitled to a guarantee credit, then—
- (a) if he has no income, the guarantee credit shall be the appropriate minimum guarantee; and
  - (b) if he has income, the guarantee credit shall be the difference between the appropriate minimum guarantee and his income.
- (3) The appropriate minimum guarantee shall be the total of—
- (a) the standard minimum guarantee; and
  - (b) such prescribed additional amounts as may be applicable.
- (4) The standard minimum guarantee shall be a prescribed amount.
- (5) The standard minimum guarantee shall be—
- (a) a uniform single amount in the case of every claimant who is a member of a [<sup>F1</sup>couple] ; and
  - (b) a lower uniform single amount in the case of every claimant who is not a member of [<sup>F2</sup>a couple] .
- (6) Regulations may provide that, in prescribed cases, subsection (3) shall have effect with the substitution for the reference in paragraph (a) to the standard minimum guarantee of a reference to a prescribed amount.
- (7) Where the claimant is severely disabled, there shall be included among the additional amounts prescribed under subsection (3)(b) an amount in respect of that circumstance.
- (8) Where—
- (a) the claimant is entitled to an allowance under section 70 of the Contributions and Benefits Act [<sup>F3</sup>or carer support payment] , or
  - (b) if the claimant is a member of a [<sup>F4</sup>couple] , the other member of the couple is entitled to such an allowance [<sup>F5</sup>or payment] ,
- there shall be included among the additional amounts prescribed under subsection (3) (b) an amount in respect of that circumstance.
- (9) Except for the amount of the standard minimum guarantee, the powers conferred by this section to prescribe amounts include power to prescribe nil as an amount.

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### Textual Amendments

- F1** Words in s. 2(5)(a) substituted (5.12.2005) by [Civil Partnership Act 2004 \(c. 33\)](#), s. 263(8)(d), [Sch. 24 para. 140](#); [S.I. 2005/3175](#), art. 2(1), Sch. 1
- F2** Words in s. 2(5)(b) substituted (5.12.2005) by [Civil Partnership Act 2004 \(c. 33\)](#), s. 263(8)(d), [Sch. 24 para. 141](#); [S.I. 2005/3175](#), art. 2(1), Sch. 1
- F3** Words in s. 2(8)(a) inserted (16.11.2023) by [The Carer's Assistance \(Carer Support Payment\) \(Scotland\) Regulations 2023 \(Consequential Modifications\) Order 2023 \(S.I. 2023/1214\)](#), art. 1(2), [reg. 5\(2\)\(a\)](#)
- F4** Words in s. 2(8)(b) substituted (5.12.2005) by [Civil Partnership Act 2004 \(c. 33\)](#), s. 263(8)(d), [Sch. 24 para. 140](#); [S.I. 2005/3175](#), art. 2(1), Sch. 1
- F5** Words in s. 2(8)(b) inserted (16.11.2023) by [The Carer's Assistance \(Carer Support Payment\) \(Scotland\) Regulations 2023 \(Consequential Modifications\) Order 2023 \(S.I. 2023/1214\)](#), art. 1(2), [reg. 5\(2\)\(b\)](#)

### Commencement Information

- I3** S. 2 partly in force; s. 2 not in force at Royal Assent, see s. 22(3); s. 2 in force for certain purposes at 2.7.2002 by [S.I. 2002/1691](#), [art. 2](#)
- I4** S. 2 in force at 6.10.2003 in so far as not already in force by [S.I. 2003/1766](#), [art. 2\(a\)](#)

## 3 Savings credit

- [<sup>F6</sup>(1) The first of the conditions mentioned in section 1(2)(c)(ii) is that the claimant—
- (a) has attained pensionable age before 6 April 2016 and has attained the age of 65 (before, on or after that date), or
  - (b) is a member of a couple, the other member of which falls within paragraph (a).]

(2) The second of the conditions mentioned in section 1(2)(c)(ii) is that—

    - (a) the claimant's qualifying income exceeds the savings credit threshold; and
    - (b) the claimant's income is such that, for the purposes of subsection (3), amount A exceeds amount B.

(3) Where the claimant is entitled to a savings credit, the amount of the savings credit shall be the amount by which amount A exceeds amount B.

(4) For the purposes of subsection (3)—

“amount A” is the smaller of—

    - (a) the maximum savings credit; and
    - (b) a prescribed percentage of the amount by which the claimant's qualifying income exceeds the savings credit threshold; and

“amount B” is—

    - (a) a prescribed percentage of the amount (if any) by which the claimant's income exceeds the appropriate minimum guarantee; or
    - (b) if there is no such excess, nil.

(5) Where, by virtue of regulations under section 2(6), the claimant's appropriate minimum guarantee does not include the standard minimum guarantee, regulations may provide that the definition of “amount B” in subsection (4) shall have effect with the substitution for the reference in paragraph (a) to the appropriate minimum guarantee of a reference to a prescribed higher amount.

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- (6) Regulations may make provision as to income which is, and income which is not, to be treated as qualifying income for the purposes of this section.
- (7) For the purposes of this section—
- “the savings credit threshold” is such amount as may be prescribed;
  - “the maximum savings credit” is a prescribed percentage of the difference between—
    - (a) the standard minimum guarantee; and
    - (b) the savings credit threshold.
- (8) Regulations may prescribe descriptions of persons in whose case the maximum savings credit shall be taken to be nil.

#### Textual Amendments

**F6** S. 3(1) substituted (6.4.2016) by [Pensions Act 2014 \(c. 19\)](#), s. 56(4), [Sch. 12 para. 89](#)

#### Commencement Information

**I5** S. 3 partly in force; s. 3 not in force at Royal Assent, see s. 22(3); s. 3 in force for certain purposes at 2.7.2002 by [S.I. 2002/1691](#), [art. 2](#)

**I6** S. 3 in force at 6.10.2003 in so far as not already in force by [S.I. 2003/1766](#), [art. 2\(a\)](#)

### [<sup>F7</sup>3ZA Power to limit savings credit for certain mixed-age couples

- (1) Regulations may provide that, in prescribed cases, a person who is a member of a mixed-age couple is not entitled to a savings credit.
- (2) For example, the regulations could provide that a member of a mixed-age couple is not entitled to a savings credit unless—
- (a) the person has been awarded a savings credit with effect from a day before 6 April 2016 and was entitled to a savings credit immediately before that date, and
  - (b) the person remained entitled to state pension credit at all times since the beginning of 6 April 2016.
- (3) In this section “mixed-age couple” means a couple (whenever formed) one member of which had attained pensionable age before 6 April 2016 and the other had not.]

#### Textual Amendments

**F7** S. 3ZA inserted (7.7.2015) by [Pensions Act 2014 \(c. 19\)](#), s. 56(4), [Sch. 12 para. 90](#); [S.I. 2015/1475](#), [art. 2\(2\)\(d\)](#)

## 4 Exclusions

- (1) A claimant is not entitled to state pension credit if he is a member of a [<sup>F8</sup>couple] the other member of which is entitled to state pension credit.

[<sup>F9</sup>(1A) A claimant is not entitled to state pension credit if he is a member of a couple the other member of which has not attained the qualifying age.]

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- (2) In section 115(1) of the Immigration and Asylum Act 1999 (c. 33) (exclusion of certain persons from benefits) in the words preceding paragraph (a), after “Jobseekers Act 1995” insert “ or to state pension credit under the State Pension Credit Act 2002 ”.
- (3) Where the amount payable by way of state pension credit would (apart from this subsection) be less than a prescribed amount, it shall not be payable except in prescribed circumstances.

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#### **Textual Amendments**

- F8** Words in s. 4(1) substituted (5.12.2005) by [Civil Partnership Act 2004 \(c. 33\)](#), s. 263(8)(d), [Sch. 24 para. 140](#); [S.I. 2005/3175](#), art. 2(1), Sch. 1
- F9** [S. 4\(1A\)](#) inserted (15.5.2019) by [Welfare Reform Act 2012 \(c. 5\)](#), s. 150(3), [Sch. 2 para. 64](#); [S.I. 2019/37](#), art. 3 (with arts. 4, 6-8) (as amended by [S.I. 2019/935](#), art. 2)

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#### **Commencement Information**

- I7** S. 4 partly in force; s. 4 not in force at Royal Assent, see s. 22(3); s. 4 in force for certain purposes at 2.7.2002 by [S.I. 2002/1691](#), [art. 2](#)
- I8** S. 4 in force at 6.10.2003 in so far as not already in force by [S.I. 2003/1766](#), [art. 2\(a\)](#)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act modified by [S.S.I. 2024/62 art. 2](#)
- Act modified by [S.I. 2023/1060 art. 2Sch.](#)
- Act modified by [S.I. 2024/149 art. 2](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 1(2)(c)(iii) and word inserted by [2012 c. 5 Sch. 4 para. 2](#)
- s. 1(2)(d) and word inserted by [2012 c. 5 s. 75\(b\)](#)
- s. 1(3)(c) and word inserted by [2012 c. 5 Sch. 4 para. 3\(a\)](#)
- s. 3A inserted by [2012 c. 5 Sch. 4 para. 4](#)
- s. 3A(5)(a) words omitted by [2016 c. 7 s. 20\(8\)](#)
- s. 7(10) inserted by [2012 c. 5 Sch. 4 para. 5](#)
- s. 19(2)(za) inserted by [2012 c. 5 s. 75\(2\)](#)