



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 9

PENSION INCOME

CHAPTER 10

OTHER EMPLOYMENT-RELATED ANNUITIES

609 Annuities for the benefit of dependants

- (1) This section applies to any annuity which was granted for consideration consisting in whole or in part of sums which satisfied the conditions for relief under section 273 of ICTA (obligatory contributions to secure an annuity for the benefit of dependants).
- (2) But this section applies to an annuity which arises from a source outside the United Kingdom only if it is paid to a person resident in the United Kingdom.

610 Annuities under sponsored superannuation schemes

- (1) This section applies to—
 - (a) any annuity paid under a sponsored superannuation scheme, and
 - (b) any annuity acquired using funds held for the purposes of a sponsored superannuation scheme.
- (2) But this section applies to an annuity which arises from a source outside the United Kingdom only if it is paid to a person resident in the United Kingdom.
- (3) This section does not apply to an annuity to which any provision of Chapter 6, 7, 8 or 9 of this Part applies.

Status: This is the original version (as it was originally enacted).

- (4) In this section “sponsored superannuation scheme” has the meaning given by section 624(1) of ICTA.

611 Annuities in recognition of another’s services

- (1) This section applies to any annuity purchased by any person in recognition of another person’s services in any office or employment.
- (2) But this section applies to an annuity which arises from a source outside the United Kingdom only if it is paid to a person resident in the United Kingdom.
- (3) This section does not apply to an annuity to which any provision of Chapter 6, 7, 8 or 9 of this Part applies.
- (4) For the purposes of this section “office” includes in particular any position which has an existence independent of the person who holds it and may be filled by successive holders.

612 Taxable pension income: UK annuities

- (1) The taxable pension income for an annuity to which section 609, 610 or 611 applies is determined in accordance with this section if the annuity arises from a source in the United Kingdom.
- (2) The taxable pension income for a tax year is the full amount of the annuity arising in that year.

613 Taxable pension income: foreign annuities

- (1) The taxable pension income for an annuity to which section 609, 610 or 611 applies is determined in accordance with this section if the annuity arises from a source outside the United Kingdom.
- (2) The taxable pension income for a tax year is the amount on which tax would be chargeable if the annuity were charged to tax under Case V of Schedule D for that year (see in particular the provisions of ICTA listed in subsection (3)).
- (3) Those provisions of ICTA are—
- (a) sections 65 and 68 (calculation of the amount of the income on which tax is to be charged in the tax year);
 - (b) section 584 (relief for unremittable overseas income);
 - (c) section 585 (relief on delayed remittances).
- (4) In the application of sections 65(2) and 585(2) of ICTA in relation to the calculation of the taxable pension income for the purposes of this section, any reference to income arising from a pension is a reference to the annuity.

614 Person liable for tax

If section 609, 610 or 611 applies, the person liable for any tax charged under this Part is the person receiving or entitled to the annuity.