



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 9

PENSION INCOME

CHAPTER 4

FOREIGN PENSIONS: GENERAL RULES

573 Foreign pensions

- (1) This section applies to any pension paid by or on behalf of a person who is outside the United Kingdom to a person who is resident in the United Kingdom.
- (2) But this section does not apply to a pension if any provision of Chapters 5 to 14 of this Part applies to it.

[^{F1}(2A) This section does not apply to pension within section 574(1)(ba) if—

- (a) the pension is paid in respect of a deceased member of a pension scheme who had not reached the age of 75 at the date of death, and
- (b) no pension payments to the person entitled to the pension were made before 6 April 2015 in respect of the deceased member out of any of the following—
 - (i) the fund from which the pension is paid, and
 - (ii) any fund represented (to any extent) by that fund.

(2B) This section does not apply to pension within section 574(1)(bb) if the pension is paid in respect of a deceased individual who had not reached the age of 75 at the date of death.

(2C) Subsection (2A) is subject to subsection (2D).

Changes to legislation: *Income Tax (Earnings and Pensions) Act 2003, Section 573 is up to date with all changes known to be in force on or before 23 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

(2D) This section does apply to pension within section 574(1)(ba) paid in respect of a deceased member of a pension scheme who had not reached the age of 75 at the date of death if the pension is paid in respect of sums or assets held for the purposes of the pension scheme under which the pension is paid (“the paying scheme”) that would, if the paying scheme were a registered pension scheme, be sums or assets—

- (a) representing unused uncrystallised funds (within the meaning of paragraph 27E(4) and (5) of Schedule 28 to FA 2004) in the deceased member's case, and
- (b) designated on or after 6 April 2015 as available for the payment of dependants' drawdown pension or nominees' drawdown pension, but
- (c) not so designated before the end of the period of two years beginning with the earlier of the day on which the scheme manager of the paying scheme first knew of the member's death and the day on which the scheme manager could first reasonably have been expected to have known of it.]

[^{F2}(2E) Chapter 17 of this Part provides exemptions for certain annuities (see sections 646D and 646E: certain beneficiaries' annuities purchased out of unused or drawdown funds).

(2F) See also paragraph 45A of Schedule 36 to FA 2004 (exemption in certain cases for payments on or after 6 April 2015 to beneficiaries under joint-life or similar annuities purchased before 6 April 2006).]

(3) For pensions paid by or on behalf of a person who is in the United Kingdom, see Chapter 3 of this Part.

[^{F3}(4) This section also applies to a pension paid by or on behalf of a person who is outside the United Kingdom to a person who is not resident in the United Kingdom if—

- (a) the pension is a relevant lump sum paid under a pension scheme to that person in respect of a member of the scheme, and
- (b) the member is, or immediately before the member's death was, resident in the United Kingdom.]

Textual Amendments

F1 S. 573(2A)-(2D) inserted (with effect in accordance with Sch. 2 para. 25(7) of the amending Act) by [Taxation of Pensions Act 2014 \(c. 30\)](#), **Sch. 2 para. 25(2)**

F2 S. 573(2E)(2F) inserted (26.3.2015) by [Finance Act 2015 \(c. 11\)](#), **Sch. 4 para. 20**

F3 S. 573(4) inserted (27.4.2017) by [Finance Act 2017 \(c. 10\)](#), **Sch. 3 para. 8**

Modifications etc. (not altering text)

C1 S. 573 applied (6.4.2023 for the tax year 2023-24 and subsequent tax years) by [Finance \(No. 2\) Act 2023 \(c. 30\)](#), **s. 19(4)(8)**

Changes to legislation:

Income Tax (Earnings and Pensions) Act 2003, Section 573 is up to date with all changes known to be in force on or before 23 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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

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

- s. 452(2)(aa) inserted by [2013 c. 29 Sch. 23 para. 11](#)
- s. 707A inserted by [2024 c. 3 s. 36\(4\)](#)