



Finance (No. 2) Act 2005

2005 CHAPTER 22

PART 2

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 1

PERSONAL TAXATION

Social security pension lump sums

10 Consequential amendments

- (1) ITEPA 2003 is amended as follows.
- (2) In section 577 (UK social security pensions) after subsection (1) insert—

“(1A) But this section does not apply to any social security pension lump sum (within the meaning of section 7 of F(No.2)A 2005).”.
- (3) In section 683 (PAYE income) in subsection (3) (meaning, subject to subsection (4), of “PAYE pension income”) in the opening words, for “subsection (4)” substitute “subsections (3A) and (4) ”.
- (4) In that section, after subsection (3) insert—

“(3A) “PAYE pension income” for a tax year also includes any social security pension lump sum (within the meaning of section 7 of F(No.2)A 2005) in respect of which a charge to income tax arises under that section for that tax year.”.
- (5) In section 686 (meaning of “payment”) in subsection (1) (rules as to when payment of, or on account of, PAYE income is to be treated as made for the purposes of PAYE regulations) at the end of the subsection insert— “ But this is subject to subsection (5) (PAYE pension income: social security pension lump sums). ”.

Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2005, Section 10. (See end of Document for details)

(6) In that section, after subsection (4) insert—

“(5) For the purposes of PAYE regulations, a payment of, or on account of, an amount which is PAYE pension income of a person by virtue of section 683(3A) (social security pension lump sums) is to be treated as made at the time when the payment is made.”.

^{F1}(7)

Textual Amendments

F1 S. 10(7) omitted (21.7.2009) by virtue of [Finance Act 2009 \(c. 10\)](#), s. 126(6)(b)

Changes to legislation:

There are currently no known outstanding effects for the Finance (No. 2) Act 2005, Section 10.