# Pensions Act 2008

**2008 CHAPTER 30**

## PART 3

PENSION COMPENSATION

## CHAPTER 1

PENSION COMPENSATION ON DIVORCE ETC

### 111 Creation of pension compensation debits and credits

(1) On the application of this section—

(a) the transferor's shareable rights to PPF compensation that derive from rights under the specified scheme become subject to a debit of the appropriate amount, and

(b) the transferee becomes entitled to a credit of that amount as against the Board.

(2) For the purposes of subsection (1) "the appropriate amount" means—

(a) where the relevant order or provision specifies a percentage to be transferred, that percentage of the cash equivalent of the relevant compensation on the valuation day;

(b) where the relevant order or provision specifies an amount to be transferred, the lesser of—

(i) that specified amount, and

(ii) the cash equivalent of the relevant compensation on the valuation day.

(3) For the purposes of subsection (2) "the relevant compensation" means the payments or future payments to which, immediately before the transfer day, the transferor is entitled under the pension compensation provisions by virtue of the transferor's shareable rights to PPF compensation that derive from rights under the specified scheme.

(4) The Secretary of State may by regulations provide for any description of payment to be disregarded for the purposes of subsection (3).

***Changes to legislation:*** *Pensions Act 2008, Section 111 is up to date with all changes known to be in force on or before 01 July 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*

(5) For the purposes of this section—

"the specified scheme" means the pension scheme specified in the relevant order or provision;

"the valuation day" means such day within the implementation period for the credit under subsection (1)(b) as the Board may specify by notice in writing to the transferor and transferee.

(6) The credit to which the transferee becomes entitled under subsection (1)(b) is referred to in this Chapter as a "pension compensation credit".

**Commencement Information**

**I1** S. 111 wholly in force at 6.4.2011; s. 111 in force for certain purposes at Royal Assent see s. 149(2)(k); s. 111 in force so far as not already in force at 6.4.2011 by S.I. 2011/664, **art. 2(3)**, Sch. Pt. 2

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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. 3(1A) inserted by 2023 c. 44 s. 1(2)
- s. 5(1C) inserted by 2023 c. 44 s. 1(3)
- s. 13(3)(ec) inserted by 2023 c. 20 Sch. para. 56
- s. 13A inserted by 2023 c. 44 s. 1(4)
- s. 24(1)(c) inserted by 2015 c. 8 Sch. 2 para. 43(2)(d)
- s. 143(6)(7) inserted by 2023 c. 44 s. 1(5)(b)