
Changes to legislation: There are currently no known outstanding effects for the Taxation of Pensions Act 2014, Section 40. (See end of Document for details)

SCHEDULES

SCHEDULE 1

PENSION FLEXIBILITY ETC

PART 2

ANNUITIES

Reduction of restrictions on new annuities

40 In paragraph 20 (definition of dependants' short-term annuity) after subparagraph (1) insert—

“(1ZA) For the purposes of this Part, but subject to any provision made under subparagraph (1C)(za), an annuity payable to a dependant is also a dependants' short-term annuity if—

- (a) it is purchased by the application of sums or assets representing the whole or any part of the dependant's drawdown pension fund, or of the dependant's flexi-access drawdown fund, in respect of an arrangement,
- (b) it is payable by an insurance company,
- (c) the dependant becomes entitled to it on or after 6 April 2015, and
- (d) it is payable for a term which does not exceed five years and ends before the dependant dies.”

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