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SCHEDULES

SCHEDULE 4

Section 10

PENSIONS: OFFSHORE TRANSFERS

PART 1

CHARGES WHERE PAYMENTS MADE IN RESPECT OF OVERSEAS PENSIONS

Amendments of Schedule 34 to FA 2004

- 1 Schedule 34 to FA 2004 (non-UK pension schemes: application of certain charges) is amended as follows.
- 2 (1) Paragraph 1 (application of member payment charges to relevant non-UK schemes) is amended as follows.
 - (2) After sub-paragraph (6) insert—
 - “(6A) There are three types of relevant transfer—
 - (a) an original relevant transfer,
 - (b) a subsequent relevant transfer, and
 - (c) any other (including, in particular, all relevant transfers before 9 March 2017).
 - (6B) “An original relevant transfer” is—
 - (a) a relevant transfer within sub-paragraph (6)(a) made on or after 9 March 2017,
 - (b) a relevant transfer within sub-paragraph (6)(b), made on or after 9 March 2017, of the whole or part of the UK tax-relieved fund of a relieved member of a qualifying recognised overseas pension scheme, or
 - (c) a relevant transfer within sub-paragraph (6)(b), made on or after 6 April 2017, of the whole or part of the UK tax-relieved fund of a relieved member of a relevant non-UK scheme that is not a qualifying recognised overseas pension scheme.
 - (6C) The sums or assets transferred as a result of an original relevant transfer constitute a ring-fenced transfer fund, and the key date for that fund is the date of the transfer.
 - (6D) Where in the case of a ring-fenced transfer fund (“the source fund”) there is a relevant transfer of the whole or part of the fund—
 - (a) the sums or assets transferred as a result of the transfer constitute a ring-fenced transfer fund,
 - (b) that fund has the same key date as the source fund, and

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- (c) the transfer is “a subsequent relevant transfer”, and is not an original relevant transfer.
 - (6E) Sub-paragraph (6D) applies whether the source fund is a ring-fenced transfer fund as a result of sub-paragraph (6C) or as a result of sub-paragraph (6D).
 - (6F) The Commissioners for Her Majesty's Revenue and Customs may by regulations provide that sums or assets identified in accordance with the regulations are not included in a ring-fenced transfer fund as a result of sub-paragraph (6C) or (6D)(a).”
- 3 (1) Paragraph 2 (member payment provisions apply to payments out of non-UK schemes if member is UK resident or has been UK resident in any of the preceding 5 tax years) is amended as follows.
- (2) The existing text becomes sub-paragraph (1).
 - (3) In that sub-paragraph, after “scheme” insert “ so far as it is referable to 5-year rule funds ”.
 - (4) After that sub-paragraph insert—
 - “(2) The member payment provisions do not apply in relation to a payment made (or treated by this Part as made) to or in respect of a relieved member of a relevant non-UK scheme so far as it is referable to 10-year rule funds unless the member—
 - (a) is resident in the United Kingdom when the payment is made (or treated as made), or
 - (b) although not resident in the United Kingdom at that time, has been resident in the United Kingdom earlier in the tax year in which the payment is made (or treated as made) or in any of the 10 tax years immediately preceding that year.
 - (3) The member payment provisions do not apply in relation to a payment made (or treated by this Part as made) to or in respect of a transfer member of a relevant non-UK scheme, so far as it is referable to any particular ring-fenced transfer fund of the member's under the scheme which has a key date of 6 April 2017 or later, unless—
 - (a) the member is resident in the United Kingdom when the payment is made (or treated as made), or
 - (b) although the member is not resident in the United Kingdom at that time—
 - (i) the member has been resident in the United Kingdom earlier in the tax year containing that time, or
 - (ii) the member has been resident in the United Kingdom in any of the 10 tax years immediately preceding the tax year containing that time, or
 - (iii) that time is no later than the end of 5 years beginning with the key date for the particular fund.
 - (4) In this paragraph—
 - “5-year rule funds”, in relation to a payment to or in respect of a relieved member of a relevant non-UK scheme, means so much of the member's UK tax-relieved fund under the scheme as represents

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tax-relieved contributions, or tax-exempt provision, made under the scheme before 6 April 2017;

“5-year rule funds”, in relation to a payment to or in respect of a transfer member of a relevant non-UK scheme, means—

- (a) the member's relevant transfer fund under the scheme, and
- (b) any of the member's ring-fenced transfer funds under the scheme that has a key date earlier than 6 April 2017;

“10-year rule funds”, in relation to a payment to or in respect of a relieved member of a relevant non-UK scheme, means so much of the member's UK tax-relieved fund under the scheme as represents tax-relieved contributions, or tax-exempt provision, made under the scheme on or after 6 April 2017.

(5) See also—

paragraph 1(6C), (6D) and (6F) (meaning of “ring-fenced transfer fund”),

paragraph 3 (meaning of “UK tax-relieved fund”, “tax-relieved contributions” and “tax-exempt provision” etc), and

paragraph 4 (meaning of “relevant transfer fund” etc).”

4 (1) Paragraph 3 (payments to or in respect of relieved members of schemes) is amended as follows.

(2) After sub-paragraph (5) insert—

“(5A) The Commissioners for Her Majesty's Revenue and Customs may by regulations provide that, in circumstances specified in the regulations, something specified in the regulations is to be treated as done by, to, in respect of or in the case of a relieved member of a relevant non-UK scheme.”

(3) In sub-paragraph (6) (power to specify whether payments by scheme are referable to UK tax-relieved fund), after “payments made (or treated as made) by” insert “, or other things done by or to or under or in respect of or in the case of,”.

(4) After sub-paragraph (7) insert—

“(8) Where regulations under sub-paragraph (6) make provision for a payment or something else to be treated as referable to a member's UK tax-relieved fund under a scheme, regulations under that sub-paragraph may make provision for the payment or thing, or any part or aspect of the payment or thing, also to be treated as referable to a particular part of that fund.”

5 (1) Paragraph 4 (payments to or in respect of transfer members of schemes) is amended as follows.

(2) In sub-paragraph (1), after “relevant transfer fund” insert “, or ring-fenced transfer funds,”.

(3) In sub-paragraph (2) (meaning of “relevant transfer fund”), before “so much of” insert “, subject to sub-paragraph (3A),”.

(4) After sub-paragraph (3) insert—

“(3A) The member's relevant transfer fund under the scheme does not include sums or assets that are in any of the member's ring-fenced transfer funds under the scheme.”

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- (5) In sub-paragraph (4) (power to specify whether payments by scheme are referable to relevant transfer fund), after “payments or transfers made (or treated as made) by” insert “, or other things done by or to or under or in respect of or in the case of, ”.
- (6) After sub-paragraph (4) insert—
- “(5) The Commissioners for Her Majesty's Revenue and Customs may by regulations provide that, in circumstances specified in the regulations, something specified in the regulations is to be treated as done by, to, in respect of or in the case of a transfer member of a relevant non-UK scheme.
- (6) Regulations made by the Commissioners for Her Majesty's Revenue and Customs may make provision for determining whether payments or transfers made (or treated as made) by, or other things done by or to or under or in respect of or in the case of, a relevant non-UK scheme are to be treated as referable to a member's ring-fenced transfer funds under the scheme (and so whether or not they reduce the funds or any of them).
- (7) Where regulations under sub-paragraph (6) make provision for a payment or transfer or something else to be treated as referable to a member's ring-fenced transfer funds under a scheme, regulations under that sub-paragraph may make provision for the payment or transfer or other thing, or any part or aspect of the payment or transfer or thing, also to be treated as referable to a particular one of those funds.”
- 6 In paragraph 7(2)(c) (regulations about application of member payment provisions), after “relevant transfer fund” insert “ or ring-fenced transfer funds ”.
- 7 (1) Paragraph 9ZB (application of section 227G) is amended as follows.
- (2) In sub-paragraph (2), after “relevant transfer fund” insert “ or ring-fenced transfer funds ”.
- (3) After sub-paragraph (3) insert—
- “(4) The reference in sub-paragraph (2) to the individual's ring-fenced transfer funds under the relevant non-UK scheme is to be read in accordance with paragraph 1.”
- 8 The amendments made by paragraph 3 apply in relation to payments made (or treated as made) on or after 6 April 2017, and the amendments made by paragraphs 2 and 4 to 7 come into force on 9 March 2017.

Consequential amendments in ITEPA 2003

- 9 (1) Section 576A of ITEPA 2003, as it applies where the year of departure is the tax year 2013-14 or a later tax year, is amended as follows.
- (2) In subsection (6)(b) (pension income: temporary non-residents: non-application where payment not referable to relevant transfer fund)—
- (a) for “not referable” substitute “ referable neither ”, and
- (b) after “relevant transfer fund” insert “, nor to the member's ring-fenced transfer funds, ”.
- (3) In subsection (10) (interpretation), at the end insert—
- ““member's ring-fenced transfer fund” (see paragraph 1(6C) and (6D)).”

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- (4) The amendments made by this paragraph apply in relation to relevant withdrawals on or after 6 April 2017.
- 10 (1) Section 576A of ITEPA 2003, as it applies where the year of departure is the tax year 2012-13 or an earlier tax year, is amended as follows.
- (2) In subsection (6) (pension income: temporary non-residents: non-application unless payment referable to relevant transfer fund), after “member's relevant transfer fund” insert “, or the member's ring-fenced transfer funds,”.
- (3) In subsection (8) (interpretation), before the definition of “scheme pension” insert—
- ““member's ring-fenced transfer funds” has the same meaning as in that Schedule (see paragraph 1(6C) and (6D));”.
- (4) The amendments made by this paragraph apply in relation to relevant withdrawals on or after 6 April 2017.

PART 2

INCOME TAX ON PENSION TRANSFERS: OVERSEAS TRANSFER CHARGE

Tax charge on transfers to qualifying recognised overseas pension schemes

- 11 In Part 4 of FA 2004 (pension schemes etc), after section 244 insert—

“Non-UK schemes: the overseas transfer charge

244A Overseas transfer charge

- (1) A charge to income tax, to be known as the overseas transfer charge, arises where—
- (a) a recognised transfer is made to a QROPS, or
- (b) an onward transfer is made during the relevant period for the original transfer,
- and the transfer is not excluded from the charge by or under any of sections 244B to 244H.
- (2) Sections 244B to 244H are subject to section 244I (circumstances in which exclusions do not apply).
- (3) In this group of sections, an “onward transfer” is a transfer of sums or assets held for the purposes of, or representing accrued rights under, an arrangement under a QROPS or former QROPS in relation to a member so as to become held for the purposes of, or to represent rights under, an arrangement under another QROPS in relation to that person as a member of that other QROPS.
- (4) In this group of sections “relevant period” means—
- (a) in the case of a recognised transfer made on 6 April in any year, the 5 years beginning with the date of the transfer,

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- (b) in the case of any other recognised transfer, the period consisting of the combination of—
 - (i) the period beginning with the date of the transfer and ending immediately before the next 6 April, and
 - (ii) the 5 years beginning at the end of that initial period,
 - (c) in the case of an onward transfer, the period—
 - (i) beginning with the date of the transfer, and
 - (ii) ending at the end of the relevant period for the original transfer (see paragraphs (a) and (b) or, as the case may be, paragraphs (d) and (e)),
 - (d) in the case of a relevant transfer that—
 - (i) is made on 6 April in any year, and
 - (ii) is the original transfer for an onward transfer,
the 5 years beginning with the date of the relevant transfer, and
 - (e) in the case of a relevant transfer that—
 - (i) is made otherwise than on 6 April in any year, and
 - (ii) is the original transfer for an onward transfer,
the period consisting of the combination of: the period beginning with the date of the relevant transfer and ending immediately before the next 6 April; and the 5 years beginning at the end of that initial period.
- (5) In this group of sections “the original transfer”, in relation to an onward transfer, means (subject to subsection (6))—
- (a) the recognised transfer in respect of which the following conditions are met—
 - (i) it is from a registered pension scheme to a QROPS,
 - (ii) the sums and assets transferred by the onward transfer directly or indirectly derive from those transferred by it, and
 - (iii) it is more recent than any other recognised transfer in respect of which the conditions in sub-paragraphs (i) and (ii) are met, or
 - (b) where there is no such recognised transfer, the relevant transfer (see paragraph 1(6) of Schedule 34) in respect of which the following conditions are met—
 - (i) it is from a relevant non-UK scheme (see paragraph 1(5) of Schedule 34),
 - (ii) it is a transfer of the whole or part of the UK tax-relieved fund (see paragraph 3 of Schedule 34) of a member of the scheme,
 - (iii) it is to a QROPS, and
 - (iv) the sums and assets transferred by the onward transfer directly or indirectly derive from those transferred by it.
- (6) Where apart from this subsection there would be different original transfers for different parts of an onward transfer, each such part of the onward transfer is to be treated as a separate onward transfer for the purposes of this group of sections.
- (7) In this section and sections 244B to 244N—

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“QROPS” means a qualifying recognised overseas pension scheme, and “former QROPS” means a scheme that has at any time been a QROPS;

“ring-fenced transfer fund”, in relation to a QROPS or former QROPS, has the meaning given by paragraph 1 of Schedule 34;

“this group of sections” means this section and sections 244B to 244N.

244B Exclusion: member and receiving scheme in same country

- (1) A recognised transfer to a QROPS is excluded from the overseas transfer charge if during the relevant period—
 - (a) the member is resident in the country or territory in which the QROPS is established, and
 - (b) there is no onward transfer—
 - (i) for which the recognised transfer is the original transfer, and
 - (ii) which is not excluded from the charge.
- (2) If the member is resident in that country or territory at the time of the transfer mentioned in subsection (1), it is to be assumed for the purposes of subsection (1) that the member will be resident in that country or territory during the relevant period; but if, at a time before the end of the relevant period, the transfer ceases to be excluded by subsection (1) otherwise than by reason of the member's death—
 - (a) that assumption is from that time no longer to be made, and
 - (b) the charge on the transfer is treated as charged at that time.
- (3) An onward transfer to a QROPS (“transfer A”) is excluded from the overseas transfer charge if during so much of the relevant period as is after the time of transfer A—
 - (a) the member is resident in the country or territory in which the QROPS is established, and
 - (b) there is no subsequent onward transfer that—
 - (i) is of sums and assets which, in whole or part, directly or indirectly derive from those transferred by transfer A, and
 - (ii) is not excluded from the charge.
- (4) If the member is resident in that country or territory at the time of transfer A, it is to be assumed for the purposes of subsection (3) that the member will be resident in that country or territory during so much of the relevant period as is after the time of transfer A; but if, at a time before the end of the relevant period, the transfer ceases to be excluded by subsection (3) otherwise than by reason of the member's death—
 - (a) that assumption is from that time no longer to be made, and
 - (b) the charge on transfer A is treated as charged at that time.

244C Exclusion: member and receiving scheme in EEA states

- (1) This section applies to a transfer to a QROPS established in an EEA state.

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- (2) If the transfer is a recognised transfer, the transfer is excluded from the overseas transfer charge if during the relevant period—
- (a) the member is resident in an EEA state (whether or not the same EEA state throughout that period), and
 - (b) there is no onward transfer—
 - (i) for which the recognised transfer is the original transfer, and
 - (ii) which is not excluded from the charge.
- (3) If the member is resident in an EEA state at the time of the recognised transfer mentioned in subsection (2), it is to be assumed for the purposes of this section that the member will be resident in an EEA state during the relevant period; but if, at a time before the end of the relevant period, the transfer ceases to be excluded by subsection (2) otherwise than by reason of the member's death—
- (a) that assumption is from that time no longer to be made, and
 - (b) the charge on the transfer is treated as charged at that time.
- (4) If the transfer is an onward transfer (“transfer B”), the transfer is excluded from the overseas transfer charge if during so much of the relevant period as is after the time of the onward transfer—
- (a) the member is resident in an EEA state (whether or not the same EEA state at all those times), and
 - (b) there is no subsequent onward transfer that—
 - (i) is of sums and assets which, in whole or part, directly or indirectly derive from those transferred by transfer B, and
 - (ii) is not excluded from the charge.
- (5) If the member is resident in an EEA state at the time of transfer B, it is to be assumed for the purposes of subsection (4) that the member will be resident in an EEA state during so much of the relevant period as is after the time of transfer B; but if, at a time before the end of the relevant period, the transfer ceases to be excluded by subsection (4) otherwise than by reason of the member's death—
- (a) that assumption is from that time no longer to be made, and
 - (b) the charge on transfer B is treated as charged at that time.

244D Exclusion: receiving scheme is an occupational pension scheme

A transfer to a QROPS is excluded from the overseas transfer charge if—

- (a) the QROPS is an occupational pension scheme, and
- (b) when the transfer is made, the member is an employee of a sponsoring employer of the QROPS.

244E Exclusion: receiving scheme set up by international organisation

- (1) A transfer to a QROPS is excluded from the overseas transfer charge if—
- (a) the QROPS is established by an international organisation and has effect so as to provide benefits for, or in respect of, past service as an employee of the organisation, and

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- (b) when the transfer is made, the member is an employee of the organisation.
- (2) In this section “international organisation” means an organisation to which section 1 of the International Organisations Act 1968 applies by virtue of an Order in Council under subsection (1) of that section.

244F Exclusion: receiving scheme is an overseas public service scheme

- (1) A transfer to a QROPS is excluded from the overseas transfer charge if—
- (a) the QROPS is an overseas public service pension scheme, and
 - (b) when the transfer is made, the member is an employee of an employer that participates in the scheme.
- (2) A QROPS is an “overseas public service pension scheme” for the purposes of this section if—
- (a) either—
 - (i) it is established by or under the law of the country or territory in which it is established, or
 - (ii) it is approved by the government of that country or territory, and
 - (b) it is established solely for the purpose of providing benefits to individuals for or in respect of services rendered to—
 - (i) that country or territory, or
 - (ii) any political subdivision or local authority of that country or territory.
- (3) For the purposes of this section, an employer participates in a QROPS that is an overseas public service pension scheme if the scheme has effect so as to provide benefits to or in respect of any or all of the employees of the employer in respect of their employment by the employer.

244G Exclusions: avoidance of double charge, and transitional protections

- (1) A recognised transfer to a QROPS is excluded from the overseas transfer charge if it is made in execution of a request made before 9 March 2017.
- (2) An onward transfer (“the current onward transfer”) is excluded from the overseas transfer charge if—
- (a) the charge has been paid on the original transfer and the amount paid is not repayable, or
 - (b) the charge has been paid on an onward transfer (“the earlier onward transfer”) in respect of which the conditions in subsection (4) are met and the amount paid is not repayable, or
 - (c) the original transfer was made before 9 March 2017, or
 - (d) the original transfer was made on or after 9 March 2017 in execution of a request made before 9 March 2017.
- (3) An onward transfer is excluded from the overseas transfer charge so far as the transfer is made otherwise than out of the member’s ring-fenced transfer funds under the scheme from which the onward transfer is made.

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- (4) The conditions mentioned in subsection (2)(b) are—
- (a) that the earlier onward transfer was made before the current onward transfer,
 - (b) that the earlier onward transfer was made after the original transfer, and
 - (c) that all the sums and assets transferred by the current onward transfer directly or indirectly derive from those transferred by the earlier onward transfer.

244H Power to provide for further exclusions

The Commissioners for Her Majesty's Revenue and Customs may by regulations make provision for a recognised transfer to a QROPS, or an onward transfer, to be excluded from the overseas transfer charge if the transfer is of a description specified in the regulations.

244I Circumstances in which exclusions do not apply

- (1) Subsection (2) applies if a recognised transfer to a QROPS, or an onward transfer, would (but for this section) be excluded from the overseas transfer charge by any of sections 244B to 244F.
- (2) The transfer is not excluded from the charge if the member has, in connection with the transfer, failed to comply with the relevant information regulation.
- (3) In subsection (2) “the relevant information regulation” means whichever of the following is applicable—
 - (a) regulation 11BA of the Registered Pension Schemes (Provision of Information) Regulations 2006 (S.I. 2006/567), or any regulation having effect in place of any of that regulation, as (in either case) from time to time amended, and
 - (b) regulation 3AE of the Pension Schemes (Information Requirements for Qualifying Overseas Pension Schemes, Qualifying Recognised Overseas Pension Schemes and Corresponding Relief) Regulations 2006 (S.I. 2006/208), or any regulation having effect in place of any of that regulation, as (in either case) from time to time amended.

244J Persons liable to charge

- (1) In the case of a recognised transfer to a QROPS, the persons liable to the overseas transfer charge are—
 - (a) the scheme administrator of the registered pension scheme from which the transfer is made, and
 - (b) the member,
and their liability is joint and several.
- (2) In the case of an onward transfer, the persons liable to the overseas transfer charge are—
 - (a) the scheme manager of the QROPS, or former QROPS, from which the transfer is made, and
 - (b) the member,

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and their liability is joint and several.

(3) Subsections (1) and (2) are subject to subsection (4), and subsections (2) and (4) are subject to subsection (5).

(4) If a transfer is one required by section 244B or 244C to be initially assumed to be excluded by that section but an event occurring before the end of the relevant period means that the transfer is not so excluded, the persons liable to the overseas transfer charge in the case of the transfer are—

- (a) the scheme manager of any QROPS, or former QROPS, under which the member has, at the time of the event, ring-fenced transfer funds in which any of the sums and assets referred to in section 244K(6) in the case of the transfer are represented, and
- (b) the member,

and their liability is joint and several.

(5) The scheme manager of a former QROPS is liable to the overseas transfer charge in the case of a transfer (“the transfer concerned”) only if the former QROPS—

- (a) was a QROPS when a relevant inward transfer was made, and
- (b) where a relevant inward transfer was made before 9 March 2017, was a QROPS at the start of 9 March 2017;

and here “relevant inward transfer” means a recognised or onwards transfer to the former QROPS (at a time when it was a QROPS) of sums and assets which, to any extent, are represented by sums or assets transferred by the transfer concerned.

(6) A person is liable to the overseas transfer charge whether or not—

- (a) that person, and
- (b) any other person who is liable to the charge,

are resident or domiciled in the United Kingdom.

244K Amount of charge

(1) Where the overseas transfer charge arises in the case of a transfer, the charge is 25% of the transferred value.

(2) If the transfer is from a registered pension scheme established in the United Kingdom, the transferred value is the total of—

- (a) the amount of any sums transferred, and
- (b) the value of any assets transferred,

but this is subject to subsections (5) to (9).

(3) If the transfer is from a registered pension scheme established in a country or territory outside the United Kingdom, the transferred value is the total of—

- (a) the amount of any sums transferred that are attributable to UK-relieved funds of the scheme, and
- (b) the value of any assets transferred that are attributable to UK-relieved funds of the scheme,

but this is subject to subsections (5) to (9).

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- (4) If the transfer is from a QROPS or former QROPS, the transferred value is the total of—
- (a) the amount of any sums transferred that are attributable to the member's ring-fenced transfer funds under the scheme, and
 - (b) the value of any assets transferred that are attributable to the member's ring-fenced transfer funds under the scheme,
- but this is subject to subsections (5) to (9).
- (5) If the lifetime allowance charge arises in the case of the transfer and is to be deducted from the transfer, paragraphs (a) and (b) of subsections (2) to (4) are to be read as referring to what is to be transferred after deduction of the lifetime allowance charge.
- (6) If the transfer is one initially assumed to be excluded by section 244B or 244C but an event occurring before the end of the relevant period means that the transfer is not so excluded, the sums and assets mentioned in whichever of subsections (2) to (4) is applicable include only those that at the time of the event are represented in any of the member's ring-fenced transfer funds under any QROPS or former QROPS.
- (7) If the operator pays the charge on the transfer and does so—
- (a) otherwise than by deduction from the transfer, and
 - (b) out of sums and assets held for the purposes of, or representing accrued rights under, the scheme from which the transfer is made,
- the transferred value is the amount given by subsections (2) to (6) grossed up by reference to the rate specified in subsection (1).
- (8) If the operator pays the charge on the transfer and does so by deduction from the transfer, the transferred value is the amount given by subsections (2) to (6) before the deduction.
- (9) If the member pays the charge on the transfer, the transferred value is the amount given by subsections (2) to (6) without any deduction for the charge.
- (10) The provisions of this Part relating to the lifetime allowance charge apply (whether or not in relation to the transfer) as if the overseas transfer charge did not arise in the case of the transfer.
- (11) In this section—
- “the operator” means—
- (a) the scheme administrator of the scheme from which the transfer is to be made if that scheme is a registered pension scheme, or
 - (b) the scheme manager of the scheme from which the transfer is to be made if that scheme is a QROPS or former QROPS;
- “UK-relieved funds”, in relation to a registered pension scheme established in a country or territory outside the United Kingdom, has the meaning given by section 242B.

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244L Accounting for overseas transfer charge by scheme managers

- (1) In this section “charge” means overseas transfer charge for which the scheme manager of a QROPS or former QROPS is liable.
- (2) The Commissioners for Her Majesty's Revenue and Customs may by regulations make provision for or in connection with—
 - (a) the payment of charge, including due dates for payment,
 - (b) the charging of interest on charge not paid on or before its due date,
 - (c) notification by the scheme manager of errors in information provided by the scheme manager to the Commissioners in connection with charge or the scheme manager's liability for overseas transfer charge,
 - (d) repayments to scheme managers under section 244M of amounts paid by way of charge, and
 - (e) the making of assessments, repayments or adjustments in cases where the correct amount of charge has not been paid by the due date for payment of the charge.
- (3) The regulations may, in particular—
 - (a) modify the operation of any provision of the Tax Acts, or
 - (b) provide for the application of any provision of the Tax Acts (with or without modification).

244M Repayments of charge on subsequent excluding events

- (1) This section applies if—
 - (a) overseas transfer charge arose on a transfer at the time the transfer was made, and
 - (b) at a time during the relevant period for the transfer, circumstances arise such that, had those circumstances existed at the time the transfer was made, the transfer would at the time it was made have been excluded from the charge by sections 244B to 244F or under section 244H.
- (2) Any amount paid in respect of charge on the transfer is to be repaid by the Commissioners for Her Majesty's Revenue and Customs so far as not already repaid.
- (3) Subsection (2) does not give rise to entitlement to repayment of, or cancellation of liabilities to, interest or penalties in respect of late payment of charge on the transfer.
- (4) Repayment under this section to the scheme administrator of a registered pension scheme, or the scheme manager of a QROPS or former QROPS, is conditional on prior compliance with any requirements to give information to the Commissioners, about the circumstances in which the right to the repayment arises, that are imposed on the prospective recipient under section 169 or 251 (but repayment is not conditional on compliance with any time limits so imposed for compliance with any such requirements).
- (5) Repayment under this section is not a relievable pension contribution.

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- (6) Repayment under this section to the member is conditional on making a claim, and such a claim must be made no later than one year after the end of the relevant period for the transfer concerned.
- (7) The Commissioners for Her Majesty's Revenue and Customs may by regulations make provision for or in connection with claims or repayments under this section, including provision—
 - (a) requiring claims,
 - (b) about who may claim,
 - (c) imposing conditions for making claims, including conditions about time limits,
 - (d) as to additional circumstances in which repayments may be made,
 - (e) modifying the operation of any provision of the Tax Acts, or
 - (f) applying any provision of the Tax Acts (with or without modifications).

244N Discharge of liability of scheme administrator or manager

- (1) In this section “operator” means—
 - (a) the scheme administrator of a registered pension scheme, or
 - (b) the scheme manager of a QROPS or former QROPS.
- (2) If an operator is liable under section 244J, the operator may apply to an officer of Revenue and Customs for the discharge of the operator's liability on the following ground.
- (3) The ground is that—
 - (a) the operator reasonably believed that there was no liability to the overseas transfer charge on the transfer concerned, and
 - (b) in all the circumstances of the case, it would not be just and reasonable for the operator to be liable to the charge on the transfer.
- (4) On receiving an application under subsection (2), an officer of Revenue and Customs must decide whether to discharge the operator's liability.
- (5) An officer of Revenue and Customs must notify the operator of the decision on the application.
- (6) The discharge of the operator's liability does not affect the liability of any other person to overseas transfer charge on the transfer concerned.
- (7) The Commissioners for Her Majesty's Revenue and Customs may by regulations make provision supplementing this section, including provision for time limits for making an application under this section.”

Further amendments in Part 4 of FA 2004.

12 Part 4 of FA 2004 is further amended as follows.

- 13 (1) Section 169 (recognised transfers, and definition and obligations of a QROPS) is amended as follows.

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(2) In subsection (2) (what makes a recognised overseas pension scheme a QROPS), after paragraph (b) insert—

“(ba) the scheme manager has confirmed to an officer of Revenue and Customs that the scheme manager understands the scheme manager's potential liability to overseas transfer charge and has undertaken to such an officer to operate the charge including by meeting the scheme manager's liabilities to the charge.”

(3) After subsection (2) insert—

“(2A) Regulations may make provision as to—

- (a) information that is to be included in, or is to accompany, a notification under subsection (2)(a);
- (b) the way and form in which such a notification, or any required information or evidence, is to be given or provided.”

(4) After subsection (4) insert—

“(4ZA) Regulations may require a member, or former member, of a QROPS or former QROPS to give information of a prescribed description to the scheme manager of a QROPS or former QROPS.”

(5) In subsection (4A) (inclusion of supplementary provision in regulations under subsection (4)), after “(4)” insert “ or (4ZA) ”.

(6) After subsection (4B) insert—

“(4C) Provision under subsection (2A)(b) or (4A)(a) may, in particular, provide for use of a way or form specified by the Commissioners.”

(7) After subsection (7) insert—

“(7A) Regulations may, in a case where—

- (a) any of the sums and assets transferred by a relevant overseas transfer represent rights in respect of a pension to which a person has become entitled under the transferring scheme (“the original pension”), and
- (b) those sums and assets are, after the transfer, applied towards the provision of a pension under the other scheme (“the new pension”),

provide that the new pension is to be treated, to such extent as is prescribed and for such of the purposes of this Part as are prescribed, as if it were the original pension.

(7B) For the purposes of subsection (7A), a “relevant overseas transfer” is a transfer of sums or assets held for the purposes of, or representing accrued rights under, a relevant overseas scheme (“the transferring scheme”) so as to become held for the purposes of, or to represent rights under—

- (a) another relevant overseas scheme, or
- (b) a registered pension scheme,

in connection with a member of that pension scheme.

(7C) In subsection (7B) “relevant overseas scheme” means—

- (a) a QROPS, or
- (b) a relevant non-UK scheme (see paragraph 1(5) of Schedule 34).

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- (7D) Regulations under subsection (7A) may—
- (a) apply generally or only in specified cases, and
 - (b) make different provision for different cases.”

- (8) In subsection (8) (interpretation)—
- (a) in the opening words, after “subsections (4) to (6)” insert “, (7A) to (7D)”, and
 - (b) in the definition of “relevant requirement”, at the end insert “, or
 - (c) a requirement to pay overseas transfer charge, or interest on overseas transfer charge, imposed by regulations under section 244L(2) or by an assessment under such regulations.”

14 After Chapter 5 insert—

“CHAPTER 5A

REGISTERED PENSION SCHEMES ESTABLISHED OUTSIDE THE UNITED KINGDOM

242A Meaning of “non-UK registered scheme”

In this Chapter “non-UK registered scheme” means a registered pension scheme established in a country or territory outside the United Kingdom.

242B Meaning of “UK-relieved funds”

- (1) For the purposes of this Chapter, the “UK-relieved funds” of a non-UK registered scheme are sums or assets held for the purposes of, or representing accrued rights under, the scheme—
- (a) that (directly or indirectly) represent sums or assets that at any time were held for the purposes of, or represented accrued rights under, a registered pension scheme established in the United Kingdom,
 - (b) that (directly or indirectly) represent sums or assets that at any time formed the UK tax-relieved fund under a relevant non-UK scheme of a relieved member of that scheme, or
 - (c) that—
 - (i) are held for the purposes of, or represent accrued rights under, an arrangement under the scheme relating to a member of the scheme who on any day has been an accruing member of the scheme, and
 - (ii) in accordance with regulations made by the Commissioners for Her Majesty's Revenue and Customs, are to be taken to have benefited from relief from tax.
- (2) In this Chapter “relevant contribution” has the meaning given by regulation 14ZB(8) of the Information Regulations.
- (3) Paragraphs (7) and (8) of regulation 14ZB of the Information Regulations (meaning of “accruing member”) apply for the purposes of this section as for those of that regulation.

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- (4) “The Information Regulations” means the Registered Pension Schemes (Provision of Information) Regulations 2006 (S.I. 2006/567).”
- 15 In section 254(6) (regulations about accounting for tax by scheme administrators), after paragraph (b) insert—
“(ba) repayments under section 244M to scheme administrators,”.
- 16 In section 255(1) (power to make provision for assessments), after paragraph (d) insert—
“(da) liability of the scheme administrator of a registered pension scheme, or the scheme manager of a qualifying recognised overseas pension scheme or of a former such scheme, to the overseas transfer charge,”.
- 17 In section 269(1)(a) (appeal against decision on discharge of liability), before “section 267(2)” insert “ section 244N (discharge of liability to overseas transfer charge), ”.
- 18 In Schedule 32 (benefit crystallisation events: supplementary provision), after paragraph 2 insert—

“Avoiding double counting of refunded amounts of overseas transfer charge

- 2A (1) This paragraph applies where an amount of overseas transfer charge is repaid (whether or not under section 244M) to the scheme administrator of one of the relevant pension schemes.
- (2) The amount crystallised by the first benefit crystallisation event that occurs in respect of the individual and a benefited scheme after receipt of the repayment is to be reduced (but not below nil) by the amount of the repayment.
- (3) If the amount of the repayment exceeds the reduction under sub-paragraph (2), the excess is to be set sequentially until exhausted against the amounts crystallised by subsequent benefit crystallisation events occurring in respect of the individual and a benefited scheme.
- (4) In sub-paragraphs (2) and (3) “benefited scheme” means—
(a) the scheme to which the repayment is made, and
(b) any other pension scheme if as a result of a recognised transfer, or a chain of two or more recognised transfers, sums or assets representing the repayment are held for the purposes of, or represent rights under, that other scheme.”

Other amendments

- 19 In section 9(1A) of TMA 1970 (tax not within the scope of self-assessment), after paragraph (a) insert—
“(aa) is chargeable, on the scheme manager of a qualifying recognised overseas pension scheme or a former such scheme, under Part 4 of the Finance Act 2004,”.
- 20 In Schedule 56 to FA 2009 (penalty for failure to make payments on time), in the Table in paragraph 1, after the entry for item 3 insert—

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3A	Income tax	Amount payable under regulations section 244L(2)(a) of FA 2004	under The date falling 30 under days after the due date determined by or under the regulations
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21 (1) In regulation 3(1) of the Registered Pension Schemes (Accounting and Assessment) Regulations 2005 (S.I. 2005/3454), in Table 1, at the end insert—

“Charge under section 244A (overseas transfer charge).	(1)	The name, date of birth and national insurance number of each individual in whose case a transfer results in the scheme administrator becoming liable to the overseas transfer charge.
	(2)	The date, and transferred value, of each transfer.
	(3)	The reference number of the qualifying recognised overseas pension scheme to which each transfer is made.
	(4)	The amount of tax due in respect of each transfer.”

(2) In those Regulations, after regulation 13 insert—

“14 Claims for repayments of overseas transfer charge

- (1) This regulation applies where the scheme administrator of a registered pension scheme becomes aware that the scheme administrator may be entitled to a repayment under section 244M of the Act in respect of overseas transfer charge on a transfer.
 - (2) The scheme administrator must, no later than 60 days after the date on which the scheme administrator becomes aware of that, make a claim for the repayment to the Commissioners for Her Majesty's Revenue and Customs.
 - (3) The claim must provide the following information—
 - (a) the member's name, date of birth and principal residential address,
 - (b) the date of the transfer and, if different, the date of the event triggering payability of the charge on the transfer,
 - (c) the date on which the scheme manager accounted for the charge on the transfer,
 - (d) why the charge on the transfer has become repayable, and
 - (e) the amount in respect of which the claim is made.
 - (4) In a case where the 60 days mentioned in paragraph (2) ends with a day earlier than 14 November 2017, paragraph (2) is to be treated as requiring the claim to be made no later than 14 November 2017.”
- (3) The amendment made by sub-paragraph (1) is to be treated as having been made by the Commissioners for Her Majesty's Revenue and Customs under the applicable powers to make regulations conferred by section 254 of FA 2004.

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- (4) The amendment made by sub-paragraph (2) is to be treated as having been made by the Commissioners for Her Majesty's Revenue and Customs under the powers to make regulations conferred by section 244M(7) of FA 2004.
- 22 (1) The Pension Schemes (Information Requirements for Qualifying Overseas Pension Schemes, Qualifying Recognised Overseas Pension Schemes and Corresponding Relief) Regulations 2006 (S.I. 2006/208) are amended as follows.
- (2) In regulation 1(2) (interpretation), after the definition of “HMRC” insert—
- ““onward transfer” has the meaning given by section 244A;”.
- (3) In regulation 3(2) (duty to provide information to HMRC)—
- (a) in sub-paragraph (c), after “no relevant transfer fund remains” insert “ and no ring-fenced transfer funds remain ”, and
- (b) after sub-paragraph (d) insert—
- “(da) if the payment is made to a QROPS—
- (i) whether the overseas transfer charge arises on the payment,
- (ii) if the charge does arise, the transferred value and the amount of charge the scheme manager deducted from the payment before making it,
- (iii) if the charge does not arise, why it does not, and
- (iv) the total amount or value of the member's relevant transfer fund, and ring-fenced transfer funds, remaining immediately after the payment;”.
- (4) In regulation 3, after paragraph (2) insert—
- “(2A) Paragraphs (2B) and (2C) apply where—
- (a) a recognised transfer is made to a QROPS, or
- (b) an onward transfer is made by a QROPS or former QROPS.
- (2B) Where an event occurring before the end of the relevant period for the transfer (see section 244A(4)) means that the transfer no longer counts as excluded from the overseas transfer charge or that entitlement to repayment under section 244M arises, the scheme manager of the QROPS or former QROPS must, within 90 days after the date the scheme manager is notified of the event, provide to HMRC notification of—
- (a) the occurrence, nature and date of the event,
- (b) the transferred value of the transfer,
- (c) the amount of overseas transfer charge on the transfer,
- (d) whether, and to what extent, the scheme manager has accounted, or intends to account, for the charge, and
- (e) the total amount or value of the member's relevant transfer fund, and ring-fenced transfer funds, remaining immediately after the event.
- This paragraph is subject to the qualification in paragraph (3A).
- (2C) Where the scheme manager of the QROPS or former QROPS becomes aware that the member has at any time in the relevant period for the transfer acquired a new residential address that is neither—

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- (a) in the country or territory in which the QROPS or former QROPS is established, nor
 - (b) in an EEA state,

the scheme manager is to notify that address to HMRC within 3 months after the date on which the scheme manager becomes aware of it.”
- (5) In regulation 3(3)(a) (reporting duty under regulation 3(2) expires after 10 years from creation of relevant transfer fund), after “beginning” insert “—
 - (i) if the payment is in respect of one or more of the relevant member's ring-fenced transfer funds (whether or not it is also in respect of anything else), with the key date for that fund or (as the case may be) the later or latest of the key dates for those funds, and
 - (ii) if the payment is not to any extent in respect of the relevant member's ring-fenced transfer funds.”
- (6) In regulation 3, after paragraph (3) insert—

“(3A) No obligation arises under paragraph (2B) in relation to a transfer if the following conditions are met—

 - (a) at the date of the transfer more than 10 years has elapsed since the key date for the ring-fenced transfer fund arising from the transfer (see paragraph 1 of Schedule 34); and
 - (b) the relevant member to whom the transfer is made is a person to whom the member payment provisions do not apply.”
- (7) In regulation 3(6), in the definition of “relevant member”, after “relevant transfer fund” insert “ or any ring-fenced transfer fund ”.
- (8) In regulation 3AB(4), for the words from “as a result” to the end substitute “as a result of—
 - (a) a transfer of the member's relevant transfer fund,
 - (b) a transfer of any of the member's ring-fenced transfer funds, or
 - (c) a recognised transfer,

after the date of the relevant event concerned. ”
- (9) In regulation 3AC—
 - (a) in paragraph (1)(a), before the “or” at the end of paragraph (i) insert—
 - “(ia) any of the member's ring-fenced transfer funds;”,
 - and
 - (b) in the title omit “relevant”.
- (10) In regulation 3AD—
 - (a) in paragraph (1)(a), before the “or” at the end of paragraph (i) insert—
 - “(ia) any of the member's ring-fenced transfer funds;”,
 - (b) in paragraph (2), after sub-paragraph (a) insert—
 - “(aa) where any of the transferred sums or assets are referable to the member's UK tax-relieved fund, the value of so many of them as are referable to tax-relieved contributions, or tax-exempt provision, made under the scheme before 9 March 2017;

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- (ab) the value of so many of the transferred sums or assets as are referable to any of the member's ring-fenced transfer funds (if any);”,
 - (c) in paragraph (2)(b) omit the “and” at the end,
 - (d) in paragraph (2)(c)(i), after “fund” insert “ or any of the member's ring-fenced transfer funds ”,
 - (e) in paragraph (2)(c), in the words after paragraph (ii)—
 - (i) omit “it is”, and
 - (ii) after “the date of that transfer” insert “ and the date it was requested ”,
 - (f) in paragraph (2), after sub-paragraph (c) insert—
 - “(d) whether the overseas transfer charge arises on the transfer;
 - (e) if the charge does arise on the transfer—
 - (i) the transferred value of the transfer, and
 - (ii) the amount in respect of the charge deducted by the scheme manager from the transfer;
 - (f) if the transfer is excluded from the charge—
 - (i) the reason for its exclusion, and
 - (ii) where section 244G(2)(a) or (b) (charge paid on earlier transfer) is the reason for its exclusion, the date of the earlier transfer on which the charge was paid and the amount of charge paid on that earlier transfer; and
 - (g) the relevant period for the transfer (see section 244A(4)).”,
 - (g) in the title omit “relevant”.
- (11) After regulation 3AD insert—

“3AE Information provided by member to QROPS: onward transfers

- (1) Paragraph (4) applies where a member of a QROPS or former QROPS makes a request to the scheme manager to make an onward transfer to a QROPS.
- (2) But paragraph (4) does not apply if—
 - (a) the transfer will be excluded from the overseas transfer charge by section 244G, or
 - (b) the transfer will take place after the end of the relevant period (see section 244A(4)) for what would be the original transfer in relation to the requested onward transfer.
- (3) In this regulation “original transfer”, in relation to an onward transfer, has the meaning given by section 244A(5).
- (4) The member must provide to the scheme manager—
 - (a) the member's name, date of birth and principal residential address,
 - (b) if the member is not UK resident for income tax purposes, the date when the member last ceased to be UK resident for those purposes,

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- (c) the member's national insurance number or, where applicable, confirmation that the member does not qualify for a national insurance number,
 - (d) the name and address of the QROPS to which the transfer is to be made,
 - (e) the country or territory under the law of which that QROPS is established and regulated,
 - (f) the reference number, if any, given by the Commissioners for that QROPS,
 - (g) whether the member knows for certain that the transfer would be excluded from the overseas transfer charge by one of sections 244D, 244E and 244F, and if the member does know that for certain—
 - (i) the section concerned (if known),
 - (ii) the name and address of the member's employer whose connection with the QROPS gives rise to exclusion of the transfer from the charge,
 - (iii) the member's job title as an employee of that employer,
 - (iv) the date the member's employment with that employer began, and
 - (v) if known, that employer's tax reference for that employment, and
 - (h) the member's acknowledgement in writing that the member—
 - (i) is aware that an onward transfer to a qualifying recognised overseas pension scheme may give rise to a liability to overseas transfer charge, and
 - (ii) is aware of the circumstances in which liability arises, in which liability is excluded from the outset and in which liability is excluded only if conditions continue to be met over a period of time.
- (5) The information specified in paragraph (4) must be provided within 60 days beginning with the day the transfer request is made.
- (6) The scheme manager must send the member notification of the requirements specified in this regulation within 30 days beginning with that day.

3AF Information provided by member to QROPS: inward and outward transfers

- (1) Paragraph (2) applies where—
- (a) a recognised transfer or onward transfer is made to a QROPS, or an onward transfer is made by a QROPS or former QROPS, and
 - (b) either—
 - (i) the overseas transfer charge arises in the case of the transfer, or
 - (ii) the transfer is required by section 244B or 244C to be initially assumed to be excluded from the overseas transfer charge by that section.
- (2) Each time during the relevant period for the transfer that the member—
- (a) becomes resident in a country or territory, or

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- (b) ceases to be resident in a country or territory,
the member must, within 60 days after the date that happens, inform the scheme manager of the QROPS or former QROPS that it has happened.
- (3) In a case where the 60 days mentioned in paragraph (2) ends with a day earlier than 30 June 2017, paragraph (2) is to be treated as requiring the information to be given no later than 30 June 2017.

3AG Provision of information about liability for overseas transfer charge

- (1) If an onward transfer is made from a QROPS or former QROPS and the overseas transfer charge arises on the transfer, the scheme manager of the QROPS or former QROPS must within 90 days after the date of the transfer provide the member with a notice stating—
 - (a) the date of the transfer,
 - (b) that overseas transfer charge arises on the transfer,
 - (c) the transferred value of the transfer,
 - (d) the amount of the charge on the transfer,
 - (e) whether, and to what extent, the scheme manager has accounted, or intends to account, for the charge, and
 - (f) where the scheme manager has accounted for the charge, the date the scheme manager did so.
- (2) If an onward transfer is made from a QROPS or former QROPS and the transfer is excluded from the overseas transfer charge by or under sections 244B to 244H, the scheme manager of the QROPS or former QROPS must within 90 days after the date of the transfer provide the member with a notice stating—
 - (a) the date of the transfer,
 - (b) that the transfer is excluded from the overseas transfer charge,
 - (c) the provision by reason of which the transfer is excluded, and
 - (d) where that provision is section 244B or 244C—
 - (i) when the relevant period for the transfer ends, and
 - (ii) how the transfer may turn out not to be excluded as a result of the member changing country or territory of residence within the relevant period for the transfer.
- (3) Paragraph (4) applies if—
 - (a) a recognised transfer is made to a QROPS, or
 - (b) an onward transfer is made by a QROPS or former QROPS.
- (4) Where an event occurring before the end of the relevant period for the transfer (see section 244A(4)) means that the transfer no longer counts as excluded from the overseas transfer charge or that entitlement to repayment under section 244M arises, the scheme manager of the QROPS or former QROPS must, within 90 days after the date the scheme manager is notified of the event, provide the member with a notice stating—
 - (a) the amount of overseas transfer charge on the transfer,
 - (b) whether, and to what extent, the scheme manager has accounted, or intends to account, for the charge, and

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- (c) where the scheme manager has accounted for the charge, the date the scheme manager did so.

3AH Accounting for overseas transfer charge on onward transfers

- (1) Paragraph (2) applies where—
 - (a) overseas transfer charge arises on an onward transfer from a QROPS or former QROPS,
 - (b) the scheme manager has notified HMRC of the transfer or, where applicable, of the event triggering payability of the charge on the transfer, and
 - (c) HMRC have provided the scheme manager with an accounting reference for paying the charge on the transfer.
- (2) The scheme manager must pay the charge to HMRC using the accounting reference.
- (3) Payment of the charge is due at the end of the 91 days beginning with the date of issue of the accounting reference.

3AI Assessments of unpaid overseas transfer charge on onward transfers

- (1) Where the correct amount of overseas transfer charge due from a scheme manager under regulation 3AH on an onward transfer has not been paid by the time it is due, an officer of Revenue and Customs must issue an assessment to tax to the scheme manager.
- (2) Tax assessed under this regulation is payable within 30 days after the issue of the notice of assessment.

3AJ Interest on overdue overseas transfer charge

- (1) Tax which—
 - (a) becomes due and payable in accordance with regulation 3AH, or
 - (b) is assessed under regulation 3AI,
 carries interest at the prescribed rate from the due date under regulation 3AH until payment (“the interest period”).
- (2) Paragraph (1) applies even if the due date is a non-business day as defined by section 92 of the Bills of Exchange Act 1882.
- (3) The “prescribed rate” means the rate applicable under section 178 of the Finance Act 1989 for the purposes of section 86 of TMA.
- (4) Any change made to the prescribed rate during the interest period applies to the unpaid amount from the date of the change.

3AK Adjustments, repayments and interest on overpaid charge

- (1) If the correct tax due under regulation 3AH has not been paid on or before the due date, an officer of Revenue and Customs may make such adjustments or repayments as may be required for securing that the resulting liabilities to tax (including interest on unpaid or overpaid tax) whether of the scheme

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manager or of any other person are the same as they would have been if the correct tax had been paid.

- (2) Tax overpaid which is repaid to the scheme manager or any other person carries interest at the prescribed rate from the later of the due date and the date on which the tax was paid until the date of repayment (“the interest period”).
- (3) The “prescribed rate” means the rate applicable under section 178 of the Finance Act 1989 for the purposes of section 824 of the Income and Corporation Taxes Act 1988.
- (4) Any change to the prescribed rate during the interest period applies to the overpaid amount from the date of the change.

3AL Claims for repayments of charge on subsequent excluding events

- (1) Repayment under section 244M (repayments of overseas transfer charge) to the scheme manager of a QROPS or former QROPS is conditional on making a claim to HMRC.
- (2) Such a claim in respect of overseas transfer charge on a transfer—
 - (a) must be in writing,
 - (b) must be made no later than 12 months after the end of the relevant period for the transfer, and
 - (c) must provide the following information—
 - (i) the member's name, date of birth and principal residential address,
 - (ii) the date of the transfer and, if different, the date of the event triggering payability of the charge on the transfer,
 - (iii) the date on which the scheme manager accounted for the charge on the transfer,
 - (iv) why the charge on the transfer has become repayable, and
 - (v) the amount in respect of which the claim is made.”
- (12) In regulation 3B (information on cessation of a QROPS), after “relevant transfer fund”, in both places, insert “, or ring-fenced transfer fund, ”.
- (13) In regulation 3C (correction of information)—
 - (a) in paragraph (3)(a)(i), after “existence” insert “ or, where the information relates to a ring-fenced transfer fund in respect of the relevant member, more than 10 years has elapsed beginning with the date on which that ring-fenced transfer fund came into existence ”, and
 - (b) in paragraph (3)(b), at the end insert “ and there are no ring-fenced transfer funds ”.
- (14) In regulation 5(1) (application of provisions providing for penalties)—
 - (a) after “3(2),” insert “ (2B) or (2C), ”, and
 - (b) before “or 3C(1)” insert “, 3AE(6), 3AG ”.
- (15) The amendments made by this paragraph—
 - (a) are, so far as they insert new regulations 3AE(1) to (5) and 3AF, to be treated as having been made by the Commissioners for Her Majesty's

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- Revenue and Customs under the powers to make regulations conferred by section 169(4ZA) of FA 2004,
- (b) are, so far as they insert new regulations 3AE(6) and 3AG and amend regulations 3 to 3AD and 3B to 5, to be treated as having been made by the Commissioners under the powers to make regulations under section 169(4) of FA 2004 (see section 169(4), (4A), (4B) and (4C) of that Act),
 - (c) are, so far as they insert new regulations 3AH to 3AK, to be treated as having been made by the Commissioners under the applicable powers to make regulations conferred by section 244L of FA 2004, and
 - (d) are, so far as they insert new regulation 3AL, to be treated as having been made by the Commissioners under the powers to make regulations conferred by section 244M(7) of FA 2004.
- 23 (1) The Registered Pension Schemes (Transfers of Sums and Assets) Regulations 2006 (S.I. 2006/499) are amended as follows.
- (2) In regulation 5, the existing text becomes paragraph (1).
 - (3) After that paragraph insert—
 - “(2) In paragraph (1)(a) “administration costs” includes, in particular, payments of overseas transfer charge.”
 - (4) The amendments made by this paragraph are to be treated as made by the Commissioners for Her Majesty's Customs and Revenue under the powers to make regulations conferred by paragraph 2(4)(h) of Schedule 28 to FA 2004.
- 24 (1) The Registered Pension Schemes (Provision of Information) Regulations 2006 (S.I. 2006/567) are amended as follows.
- (2) In regulation 3(1) (provision of information by scheme administrators to HMRC), in column 2 of the entry in the Table for reportable event 9—
 - (a) after paragraph (g) insert—
 - “(ga) whether or not overseas transfer charge arises on the transfer;
 - (gb) if the transfer is excluded from the charge, the reason why it is excluded;
 - (gc) if the charge arises on the transfer—
 - (i) the transferred value, and
 - (ii) the amount in respect of the charge deducted from the transfer;”, and
 - (b) after paragraph (h) insert—
 - “(ha) the reference number, if any, given by the Commissioners for the QROPS;”.
 - (3) In regulation 3(7) (deadline for event report for reportable event 9), at the end insert “but, if the scheme administrator applies before the end of those 60 days for a repayment of overseas transfer charge on the transfer, the report must be delivered before the administrator applies for the repayment.
 - (4) In regulation 11BA(2) (information about transfer to be provided by member to scheme administrator)—
 - (a) in sub-paragraph (a), omit paragraphs (vi) and (vii), including the “and” at the end,

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- (b) after sub-paragraph (a) insert—
- “(aa) the name and address of, and (if known) the reference number given by the Commissioners for, the qualifying recognised overseas pension scheme (“the QROPS”);
 - (ab) the country or territory under the law of which the QROPS is established and regulated;
 - (ac) whether the member knows for certain that the transfer would be excluded from the overseas transfer charge by one of sections 244D, 244E and 244F, and if the member does know that for certain—
 - (i) the section concerned (if known),
 - (ii) the name and address of the member's employer whose connection with the QROPS gives rise to exclusion of the transfer from the charge,
 - (iii) the member's job title as an employee of that employer,
 - (iv) the date the member's employment with that employer began, and
 - (v) if known, that employer's tax reference for that employment;”, and
- (c) after sub-paragraph (b) insert “; and
- (c) the member's acknowledgement in writing that the member—
 - (i) is aware that a recognised transfer to a qualifying recognised overseas pension scheme may give rise to a liability to overseas transfer charge, and
 - (ii) is aware of the circumstances in which liability arises, in which liability is excluded from the outset and in which liability is excluded only if conditions continue to be met over a period of time.”

(5) After regulation 11BA insert—

“11BB Information provided by members to scheme administrators: overseas transfers

- (1) Paragraph (2) applies where—
- (a) a recognised transfer is made by a registered pension scheme to a qualifying recognised overseas pension scheme, and
 - (b) either—
 - (i) the overseas transfer charge arises in the case of the transfer, or
 - (ii) the transfer is required by section 244B or 244C to be initially assumed to be excluded from the overseas transfer charge by that section.
- (2) Each time during the relevant period for the transfer that the member—
- (a) becomes resident in a country or territory, or
 - (b) ceases to be resident in a country or territory,

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the member must, within 60 days after the date that happens, inform the scheme administrator of the registered pension scheme that it has happened.

- (3) In a case where the 60 days mentioned in paragraph (2) ends with a day earlier than 30 June 2017, paragraph (2) is to be treated as requiring the information to be given no later than 30 June 2017.”

- (6) After regulation 12 insert—

“12A Provision of information about liability for overseas transfer charge

- (1) If a recognised transfer is made by a registered pension scheme to a qualifying recognised overseas pension scheme and the overseas transfer charge arises on the transfer, the scheme administrator of the registered pension scheme must within 90 days after the date of the transfer provide the member with a notice stating—

- (a) the date of the transfer,
- (b) that overseas transfer charge arises on the transfer,
- (c) the transferred value of the transfer,
- (d) the amount of the charge on the transfer,
- (e) whether, and to what extent, the scheme administrator has accounted, or intends to account, for the charge, and
- (f) where the scheme administrator has accounted for the charge, the date the scheme administrator did so.

- (2) If a recognised transfer is made by a registered pension scheme to a qualifying recognised overseas pension scheme and the transfer is excluded from the overseas transfer charge by or under sections 244B to 244H, the scheme administrator of the registered pension scheme must within 90 days after the date of the transfer provide the member with a notice stating—

- (a) the date of the transfer,
- (b) that the transfer is excluded from the overseas transfer charge,
- (c) the provision by reason of which the transfer is excluded, and
- (d) where that provision is section 244B or 244C, how the transfer may turn out not to be excluded as a result of the member changing country or territory of residence within the relevant period for the transfer.

- (3) If overseas transfer charge on a transfer is repaid to the scheme administrator of a registered pension scheme, the scheme administrator must within 90 days after the date of the repayment provide the member with a notice stating

- (a) the date of the repayment,
- (b) the amount of the repayment, and
- (c) the reason for the repayment.”

- (7) After regulation 14ZC insert—

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“14ZCA Further information provided by scheme administrators on recognised transfers to overseas schemes

- (1) This regulation applies if there is a recognised transfer from a registered pension scheme to a qualifying recognised overseas pensions scheme.
- (2) The scheme administrator of the registered pension scheme must provide the scheme manager of the qualifying recognised overseas pension scheme with a statement—
 - (a) stating whether or not the overseas transfer charge arose on the transfer, and
 - (b) stating—
 - (i) if the charge arose, the amount of the charge, and
 - (ii) if the transfer is excluded from the charge, the reason why it is excluded.
- (3) The requirement under paragraph (2) is to be complied with before the end of the 31 days beginning with the date of the transfer.
- (4) Paragraph (5) applies if overseas transfer charge on the transfer is repaid to the scheme administrator of the registered pension scheme.
- (5) The scheme administrator of the registered pension scheme must provide the scheme manager of the qualifying recognised overseas pension scheme with—
 - (a) a copy of the statement under paragraph (2),
 - (b) a statement that the original statement is inaccurate and that the overseas transfer charge on the transfer has been repaid to the scheme administrator, and
 - (c) the reason why the transfer is excluded from the charge.
- (6) The requirement under paragraph (5) is to be complied with before the end of the 31 days beginning with the date of the repayment.”
- (8) The amendments made by this paragraph are to be treated as made by the Commissioners for Her Majesty's Revenue and Customs under the applicable powers to make regulations conferred by section 251 of FA 2004.

Commencement and transitional provision

- 25
- (1) Subject to sub-paragraphs (2) to (4), the amendments made by this Part of this Schedule have effect in relation to transfers made on or after 9 March 2017.
 - (2) The new section 169(2)(ba) of FA 2004—
 - (a) has effect on and after 9 March 2017 in the case of a recognised overseas pension scheme where—
 - (i) the notification mentioned in section 169(2)(a) of FA 2004 (notification that scheme is a recognised overseas pension scheme) is given on or after 9 March 2017, or
 - (ii) although that notification is given before 9 March 2017, the letter from the Commissioners for Her Majesty's Revenue and Customs

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advising the scheme of the reference number allocated to the scheme
is dated on or after 9 March 2017, and

- (b) has effect on and after 14 April 2017 in the case of a recognised overseas pension scheme where that letter is dated before 9 March 2017.
- (3) The other amendments in section 169 of FA 2004, and the amendment in section 255 of that Act, come into force on 9 March 2017.
- (4) The amendments in regulation 3(2) of the Pension Schemes (Information Requirements for Qualifying Overseas Pension Schemes, Qualifying Recognised Overseas Pension Schemes and Corresponding Relief) Regulations 2006 have effect in relation to payments made on or after 9 March 2017; and the new regulation 3AE inserted into those Regulations, and the reference to the new regulation 3AE(6) inserted into regulation 5(1) of those Regulations and the amendments in regulation 11BA of the Registered Pension Schemes (Provision of Information) Regulations 2006, have effect in relation to requests made on or after 9 March 2017.
- (5) Overseas transfer charge on transfers made in the period beginning with 9 March 2017 and ending with 30 June 2017 is, for the purposes of section 254 of FA 2004, to be treated as charged in the 3 months ending with 30 September 2017 if it would otherwise be considered for those purposes as charged in an earlier period.

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