



Pensions Commutation Act 1871

1871 CHAPTER 36

4 Power to Treasury to commute pensions.

It shall be lawful for the Treasury, in accordance with such regulations as they may from time to time make, on the application of any person to whom this Act applies, to commute his pension by the payment of a capital sum of money, calculated according to the estimated duration of the life of the pension-holder, subject to the following provisions :

- (1) In calculating the amount payable in respect of the commutation of any pension, the following rules shall be observed:
 - (a) The age of the pension-holder shall be reckoned at the age he will attain on the birthday next succeeding his application for commutation ;
 - (b) In the case of impaired lives, years shall be added to the age of the pension-holder for the purpose of calculating the amount of commutation payable to him ; and in like manner a deduction from age shall be made as an equivalent for the right to prospective increase of the pension to be commuted ;
 - (c) In calculating the amount payable in respect of any pension, interest shall be reckoned at a rate of not less than five pounds per centum per annum :
- (2) Where any officer in the naval or land forces of Her Majesty whose pension has been commuted under this Act subsequently marries, his widow shall not be entitled to any pension, and a child of any such officer born after the date of the commutation of his pension shall not be entitled to compassionate allowance :
- (3) Save as aforesaid, nothing in this Act contained shall be held to deprive the wife or children of any officer whose pension may be commuted of any reversionary right to pension or compassionate allowance to which she or they may be entitled :
- (4) No application for the commutation of a pension shall be received unless it be accompanied, in the case of an officer who has belonged to Her Majesty's naval forces, by a recommendation from the Admiralty, and in the case of an officer who has belonged to Her Majesty's land forces, by a recommendation from the War Office, and in the case of any other person, by a recommendation from the head of the department to which the applicant belongs, unless the Treasury otherwise direct.