
STATUTORY INSTRUMENTS

1996 No. 1435

The Personal Pension Schemes (Appropriate Schemes and Disclosure of Information) (Miscellaneous Amendments) Regulations 1996

Amendment of the Appropriate Schemes Regulations

2.—(1) The Appropriate Schemes Regulations shall be amended in accordance with the following provisions of this regulation.

(2) In regulation 1(2) (interpretation)—

(a) after the definition of “investment business” there shall be inserted—

““overseas arrangement” means a scheme or arrangement, other than an occupational pension scheme, which—

- (a) has effect, or is capable of having effect, so as to provide benefits on termination of employment or on death or retirement to or in respect of earners;
- (b) is not an appropriate personal pension scheme; and
- (c) is administered wholly or primarily outside the United Kingdom;

“overseas scheme” means an occupational pension scheme which is administered wholly or primarily outside the United Kingdom but does not include one which is contracted-out within the meaning of section 7(3) of the Act nor one to which section 53(1) of the Act applies;”;

(b) for the definition of “pensionable age” there shall be substituted—

““pensionable age” has the meaning given by the rules in paragraph 1 of Part I of Schedule 4 to the Pensions Act 1995;”.

(3) For regulation 14 (circumstances in which minimum contributions are not to be paid to schemes) there shall be substituted—

“14.—(1) Minimum contributions shall not be paid in respect of an earner for the tax year or any part of the tax year in which that earner—

- (a) reaches pensionable age; or
- (b) dies and in which he would have reached pensionable age.

(2) Where effect has been given to the earner’s protected rights under section 28 of the Act(2) (ways of giving effect to protected rights), minimum contributions shall not, except as provided by paragraphs (3) to (9) be paid in respect of the period during which the scheme was the earner’s chosen scheme.

(3) Where effect has been given to the earner’s protected rights by the making of a transfer payment to another appropriate scheme which has become the earner’s chosen

(1) Section 7 was amended by section 136(1) of and paragraph 22 of Schedule 5 to the Pensions Act 1995. Section 53 was amended by paragraph 48 of Schedule 5 to the Pensions Act 1995.

(2) Section 28 was amended by section 142 and 146(2) of the Pensions Act 1995.

scheme or a money purchase contracted-out scheme, the minimum contributions shall be paid to the trustees or managers of that scheme.

(4) Where effect has been given to the earner's protected rights by the making of a transfer payment to a salary-related scheme or an overseas scheme or an overseas arrangement and the Secretary of State becomes aware, as a consequence of evidence in respect of the earner's age being brought to his attention, that an additional amount of minimum contributions would have been payable had he been aware of that evidence, that additional amount of minimum contributions shall be paid to the trustees or managers of that scheme.

(5) Where effect has been given to the earner's protected rights by the purchase of an annuity or by the provision by the scheme of a pension, and the amount of the minimum contributions in question is at least 10 times as great as the lower earnings limit for the tax year in which the Secretary of State becomes aware that minimum contributions are payable or would be payable, but for paragraph (2), those minimum contributions shall be paid (in the case of an annuity) to the insurance company from which the annuity has been purchased or (in the case of a pension) to the trustees or managers of the scheme.

(6) Where effect has been given to the earner's protected rights by the purchase of an annuity or by the provision by the scheme of a pension and—

- (a) the circumstances in paragraph (5) do not exist; and
- (b) minimum contributions are payable for the tax year or part of the tax year in which the earner died,

those minimum contributions shall be paid to the earner's widow or widower, or if the earner died unmarried, they may at the Secretary of State's discretion be paid to any person.

(7) Where effect has been given to the earner's protected rights by the purchase of an annuity or by provision by the scheme of a pension and—

- (a) the circumstances in paragraph (5) do not exist; and
- (b) the Secretary of State becomes aware, as a consequence of evidence in respect of the earner's age being brought to his attention, that an additional amount of minimum contributions would have been payable had he been aware of that evidence,

that additional amount of minimum contributions shall be payable for any tax year or part of a tax year before the tax year in which effect had been given to protected rights to the earner or the earner's widow or widower, or if the earner died unmarried, they may at the Secretary of State's discretion be paid to any person.

(8) Where effect has been given to the earner's protected rights by the provision of a lump sum, minimum contributions shall be payable to the earner or the earner's widow or widower, or if the earner died unmarried, they may at the Secretary of State's discretion be paid to any person.

(9) Where effect has been given to the earner's protected rights by the making of payments under an interim arrangement and the earner remains an employed earner, minimum contributions shall continue to be payable to the trustees or managers of the earner's chosen scheme.”

(4) For regulation 17A (calculation of minimum contributions) there shall be substituted—

“**17A.**—(1) For the purposes of determining the appropriate age-related percentage for the purposes of section 45(1) of the Act⁽³⁾, the Secretary of State may require an earner to send documentary evidence of his date of birth.

(3) Section 45(1) is amended by section 138(2) of the Pensions Act 1995.

(2) For the purposes of section 45B(2)(b) of the Act⁽⁴⁾ (information held as to the age to be disclosed by the Secretary of State to trustees or managers of an appropriate personal pension scheme and such other persons as may be prescribed) the prescribed person shall be the person who is responsible for administering the scheme.”.

⁽⁴⁾ Section 45B was inserted by section 139 of the Pensions Act 1995.