
STATUTORY INSTRUMENTS

1998 No. 600

PENSIONS

**The Occupational and Personal Pension Schemes
(Levy and Register) (Amendments) Regulations 1998**

<i>Made</i>	- - - -	<i>9th March 1998</i>
<i>Laid before Parliament</i>		<i>11th March 1998</i>
<i>Coming into force</i>	- -	<i>1st April 1998</i>

The Secretary of State for Social Security, in the exercise of the powers conferred by sections 6(1), (3) and (5), 175(1) to (5), (7) and (9), 181(1) and 182(2) and (3) of the Pension Schemes Act 1993⁽¹⁾ and sections 89(2), 124(1), 174(2) and (3) of the Pensions Act 1995⁽²⁾, and of all other powers enabling her in that behalf, having consulted such persons as she considers appropriate⁽³⁾, hereby makes the following Regulations:

Citation, commencement, extent and interpretation

1.—(1) These Regulations may be cited as the Occupational and Personal Pension Schemes (Levy and Register) (Amendments) Regulations 1998 and shall come into force on 1st April 1998.

(2) In these Regulations—

- (a) regulation 3(1), (2) (in so far as the definitions referred to in that paragraph apply to any of regulations 3, 4(2), 6(1) and (3) to (8) and 8 of the Register Regulations) and (3); and
- (b) regulation 4,

shall extend to Northern Ireland.

(3) In these Regulations—

“the Levy Regulations” means the Occupational and Personal Pension Schemes (Levy) Regulations 1997⁽⁴⁾;

“the Register Regulations” means the Register of Occupational and Personal Pension Schemes Regulations 1997⁽⁵⁾.

(1) 1993 c. 48. Section 6 was amended by paragraph 23 of Schedule 3, and paragraph 20 of Schedule 5, to the Pensions Act 1995 (c. 26); section 175 was substituted by section 165 of the Pensions Act 1995; section 181(1) is cited because of the meaning ascribed to “prescribe” and “regulations”.

(2) 1995 c. 26. Section 124(1) is cited because of the meaning ascribed to “prescribed” and “regulations”.

(3) See section 185(1) of the Pension Schemes Act 1993 (as amended by paragraph 46 of Schedule 3, and paragraph 80 of Schedule 5, to the Pensions Act 1995), and section 120(1) of the Pensions Act 1995.

(4) S.I.1997/666.

(5) S.I. 1997/371, as amended by S.I. 1997/1405 and 3038.

Amendment of the Levy Regulations

2.—(1) The Levy Regulations are amended in accordance with the following provisions of this regulation.

- (2) In regulation 1(2) (interpretation)—
- (a) the words from “, and for the purposes” to “treated as a personal pension scheme” are omitted from the definition of “registrable scheme”; and
 - (b) for the definition of “total membership” substitute—

““total membership” means, in relation to a registrable scheme as respects which a liability arises under regulation 2(1) or (2) or 5(1) below in respect of a registration year, the number of its members—

 - (a) in the case of a scheme—
 - (i) which has become a registrable scheme during the registration year immediately preceding the previous registration year, or
 - (ii) in respect of which no scheme year has ended before the beginning of the previous registration year,

on the day on which the scheme became a registrable scheme;
 - (b) in any other case, on the last day of the last scheme year which ended before the beginning of the previous registration year.”.
- (3) In regulation 2 (the general levy)—
- (a) in each of paragraphs (1) and (2) for “For” substitute “Subject to paragraph (4A), for”;
 - (b) in paragraph (4) for “The” substitute “Subject to paragraph (4A), the”;
 - (c) after paragraph (4), insert the following paragraph—

“(4A) No levy shall be payable under paragraph (1) or (2) above in relation to a scheme in respect of any registration year—

 - (a) in which that scheme becomes a registrable scheme; or
 - (b) which immediately follows a registration year in which that scheme became a registrable scheme.”; and
 - (d) in paragraph (5)—
 - (i) after “a scheme” insert “to which paragraph (1) or (2) above applies”, and
 - (ii) omit sub-paragraph (a).
- (4) In regulation 3 (amount of the general levy)—
- (a) in paragraph (2)(a) after “occupational pension scheme,” insert the words “except one which is approved under section 591(2)(h) of the Income and Corporation Taxes Act 1988 (discretionary approval)(6),”;
 - (b) in paragraph (2)(b) after “personal pension scheme,” insert the words “or a registrable occupational pension scheme which is approved under section 591(2)(h) of that Act,”.
- (5) In regulation 4 (payment of the general levy)—
- (a) in paragraph (2), omit the words “, subject to paragraph (3),”;
 - (b) omit paragraph (3).
- (6) In regulation 5 (the compensation levy)—
- (a) for paragraph (1) substitute the following paragraphs—

(6) 1988 c. 1.

“(1) Subject to paragraph (1A), for the purpose of meeting the expenditure of the Compensation Board, the trustees of every registrable occupational pension scheme established by trust, except a scheme to which regulation 3(2)(b) above applies, shall, in respect of each registration year, be liable to pay a levy to the Compensation Board.

(1A) No levy shall be payable under paragraph (1) above in relation to a scheme in respect of any registration year—

- (a) in which that scheme becomes a registrable scheme; or
- (b) which immediately follows a registration year in which that scheme became a registrable scheme.”; and

(b) in paragraph (4), omit sub-paragraph (a).

(7) In regulation 7 (payment of the compensation levy)—

- (a) in paragraph (1), omit the words “, subject to paragraph (2),”; and
- (b) omit paragraph (2).

(8) In regulation 11(c) (modification of section 75 of the Pensions Act 1995) omit the words from “, and, for this purpose” to “treated as a personal pension scheme” from the definition of “registrable scheme” in the substituted subsection (3).

(9) For the Schedule (amount of general levy and maximum amount of compensation levy) substitute the Schedule set out in the Schedule to these Regulations.

Amendment of the Register Regulations

3.—(1) The Register Regulations are amended in accordance with the following provisions of this regulation.

(2) In regulation 1(4) (interpretation)—

- (a) in paragraph (b) of the definition of “member”, omit the words “or a scheme treated as such”;
- (b) omit the words “, and for the purposes” to “treated as a personal pension scheme” from the definition of “registrable scheme,”; and
- (c) omit the definition of “total membership”.

(3) In regulation 3(2) (the register—contents), for sub-paragraph (g) substitute the following sub-paragraph—

“(g) the number of members of the scheme;”.

(4) In regulation 4 (information required in respect of a registrable scheme) after paragraph (1) insert the following paragraph—

“(1A) For the purposes of paragraph (1) above as it relates to the information specified in sub-paragraph (g) of regulation 3(2) above, the information shall be provided by reference to the date on which the scheme became a registrable scheme.”.

(5) For regulation 5(2) (notification of changes—total membership) substitute—

“(2) Where the Registrar in writing requests the trustees of a registrable scheme to notify the Registrar of the number of members of the scheme on the last day of such scheme year as shall be specified by the Registrar in that request, the trustees shall, not more than 56 days after receiving that request, give notice in writing to the Registrar of the number of members of the scheme on that day.”.

(6) In regulation 8(3) (transitional provisions—provision of information) for “paragraphs (c) and (g) to (j)” substitute “sub-paragraphs (c) and (h) to (j)”.

Amendment of the Personal and Occupational Pension Schemes (Miscellaneous Amendments) (No. 2) Regulations 1997

4. In regulation 11 of the Personal and Occupational Pension Schemes (Miscellaneous Amendments) (No. 2) Regulations 1997(7) (which substituted a new sub-paragraph (i) in regulation 3(2) of the Register Regulations)—

(a) the existing text of that regulation shall become paragraph (1) of that regulation; and

(b) after that paragraph add the following paragraph—

“(2) This regulation shall extend to Northern Ireland.”.

Signed by authority of the Secretary of State for Social Security.

9th March 1998

John Y. Denham
Parliamentary Under-Secretary of State,
Department of Social Security

SCHEDULE

Regulation 2(9)

SCHEDULE TO BE SUBSTITUTED FOR THE SCHEDULE TO THE LEVY REGULATIONS

“SCHEDULE

Regulations 3(2) and 6(2)

AMOUNT OF THE GENERAL LEVY AND MAXIMUM AMOUNT PER MEMBER OF THE COMPENSATION LEVY

Part I

The amount of the general levy in the case of schemes to which regulation 3(2)(a) of these Regulations applies shall be calculated by reference to the following sub-paragraphs:—

- (a) where the total membership of the scheme is at least 2 but not greater than 11, £10.00;
- (b) where the total membership of the scheme is at least 12 but not greater than 99, the amount calculated by multiplying £1.10 by the total membership of the scheme;
- (c) where the total membership of the scheme is at least 100 but not greater than 999, the greater of—
 - (i) the amount calculated by multiplying 80p by the total membership of the scheme, or
 - (ii) £110;
- (d) where the total membership of the scheme is at least 1,000 but not greater than 4,999, the greater of—
 - (i) the amount calculated by multiplying 65p by the total membership of the scheme, or
 - (ii) £800;
- (e) where the total membership of the scheme is at least 5,000 but not greater than 9,999, the greater of—
 - (i) the amount calculated by multiplying 50p by the total membership of the scheme, or
 - (ii) £3,250;
- (f) where the total membership of the scheme is 10,000 or over, the greater of—
 - (i) the amount calculated by multiplying 35p by the total membership of the scheme, or
 - (ii) £5,000.

Part II

The amount of the general levy in the case of schemes to which regulation 3(2)(b) of these Regulations applies, shall be calculated by reference to the following sub-paragraphs:—

- (a) where the total membership of the scheme is at least 2 but not greater than 11, £3.75;
- (b) where the total membership of the scheme is at least 12 but not greater than 99, the amount calculated by multiplying 35p by the total membership of the scheme;
- (c) where the total membership of the scheme is at least 100 but not greater than 999, the greater of—
 - (i) the amount calculated by multiplying 25p by the total membership of the scheme, or
 - (ii) £35;

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- (d) where the total membership of the scheme is at least 1,000 but not greater than 4,999, the greater of—
 - (i) the amount calculated by multiplying 20p by the total membership of the scheme, or
 - (ii) £250;
- (e) where the total membership of the scheme is at least 5,000 but not greater than 9,999, the greater of—
 - (i) the amount calculated by multiplying 15p by the total membership of the scheme, or
 - (ii) £1,000;
- (f) where the total membership of the scheme is 10,000 or over, the greater of—
 - (i) the amount calculated by multiplying 10p by the total membership of the scheme, or
 - (ii) £1,500.

Part III

The maximum amount per member of the compensation levy is 23p.”

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make amendments to the Occupational and Personal Pension Schemes (Levy) Regulations 1997 (“the Levy Regulations”) and the Register of Occupational and Personal Pension Schemes Regulations 1997 (“the Register Regulations”), and extend an earlier amendment of the latter instrument to Northern Ireland.

Regulation 2 amends the Levy Regulations to substitute a new definition of “total membership” in regulation 1, and to change the definition of “registrable scheme” in that regulation and in the modification of section 75(3) of the Pensions Act 1995 effected by regulation 11. Regulations 2 and 5 of the Levy Regulations are amended to exclude liability for the general levy or the compensation levy in relation to schemes which have become registrable schemes in the current, or the immediately preceding, registration year, and consequential amendments are made to regulations 4 and 7. Amendments are also made in regulation 3 with respect to the calculation of the general levy, and in regulation 5 as respects exemption from liability for the compensation levy, in relation to occupational pension schemes approved under section 591(2)(h) of the Income and Corporation Taxes Act 1988. A new Schedule is substituted in the Levy Regulations specifying revised rates in relation to the general levy.

Regulation 3 amends the Register Regulations to remove the definition of “total membership” and to change the definitions of “member” and “registrable scheme”. It also makes further provision in regulations 4 and 5 of those Regulations for the dates by reference to which information about scheme membership is to be provided to the Registrar, for inclusion in the register, and deletes a transitional provision in regulation 8(3) requiring the provision of similar information.

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Regulation 4 amends the Personal and Occupational Pension Schemes (Miscellaneous Amendments) (No. 2) Regulations 1997 to extend to Northern Ireland an amendment made by those Regulations in regulation 3 of the Register Regulations.