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STATUTORY INSTRUMENTS

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**1999 No. 1082**

The Scotland Act 1998 (Transitory and Transitional Provisions)  
(Scottish Parliamentary Pension Scheme) Order 1999

PART G

COMMUTATION

**Commutation into lump sum**

**G1.**—(1) Any person who is entitled to receive a pension under Part F (including an ill-health pension payable by virtue of Part J) or who applies to receive a pension under Part H may, before the first instalment of the pension is paid, give notice to the Parliamentary corporation that he desires to commute into a lump sum such part of the pension as is specified in the notice.

(2) Where a person has given notice under paragraph (1), the Parliamentary corporation shall determine—

- (a) what lump sum would be actuarially equivalent to the part of the pension specified in the notice; and
- (b) what reduction of the annual amount of his pension would be appropriate in consideration of the payment of that lump sum,

and, subject to the following provisions of this article, a lump sum of the amount so determined shall be paid to that person and the annual amount of his pension shall be reduced accordingly.

(3) Any lump sum or reduction to be determined under paragraph (2) shall be a sum or reduction either certified by the Government Actuary, or calculated in accordance with tables to be prepared from time to time by the Government Actuary, as fulfilling the conditions specified in paragraph (2) (a) or (b), as the case may be.

(4) If, in the case of person who has given notice under paragraph (1), the amount of the lump sum determined in accordance with paragraphs (2) and (3) would exceed the maximum commutable sum—

- (a) the amount of the lump sum so determined shall be diminished by such proportion as is necessary to make it equal to the maximum commutable sum; and
- (b) the reduction of the annual amount of his pension under this article shall be diminished by the like proportion.

(5) For the purposes of paragraph (4), the maximum commutable sum in the case of any person shall be calculated in accordance with Schedule 3 and shall be subject to an overall maximum of one and half times the permitted maximum.