

2001 No. 119

INCOME TAX

**The Personal Pension Schemes (Transfer Payments)
Regulations 2001**

Made - - - - - *23rd January 2001*
Laid before the House of Commons *24th January 2001*
Coming into force *In accordance with regulation 1*

The Commissioners of Inland Revenue, in exercise of the powers conferred on them by section 638(2) and (7A) of the Income and Corporation Taxes Act 1988(a), hereby make the following Regulations:

PART I

INTRODUCTORY

Citation, commencement and effect

1.—(1) These Regulations may be cited as the Personal Pension Schemes (Transfer Payments) Regulations 2001 and shall come into force for the purposes of—

- (a) regulations 13 and 14, and
- (b) regulation 3 so far as it relates to regulation 13,

on 14th February 2001, and for all other purposes on 6th April 2001.

(2) Regulation 10 shall have effect in accordance with regulation 15(1).

Interpretation

2. In these Regulations, unless the context otherwise requires—

“administrator”—

- (a) in relation to a retirement benefits scheme has the meaning given by section 611AA of the Taxes Act(b) and, in relation to a scheme which secures relevant benefits falling within section 591(2A) of the Taxes Act(c) by means of an annuity contract, includes the insurance company with which the contract is made, and
- (b) in relation to a personal pension scheme means the person referred to in section 638(1) of the Taxes Act;

“approved retirement benefits scheme” means a retirement benefits scheme approved by the Board for the purposes of Chapter I of Part XIV and includes an annuity contract

(a) 1988 c. 1; subsection (7A) was inserted by paragraph 9 of Schedule 11 to the Finance Act 1995 (c. 4).

(b) Section 611AA was inserted by section 103 of the Finance Act 1994 (c. 9).

(c) Section 591(2A) was inserted by section 107(3) of the Finance Act 1994.

which secures relevant benefits as mentioned in paragraph (a) of the definition of “administrator”;

“the Board” means the Commissioners of Inland Revenue;

“the certificating requirements” means any requirement to give a lump sum certificate—

(a) under regulation 5, 6 or 13,

(b) under the Personal Pension Schemes (Transfer Payments) Regulations 1988(a), or

(c) under the rules of a scheme or fund making a transfer payment to a personal pension scheme;

“Chapter I” means Chapter I of Part XIV;

“controlling director” means a director within the meaning of section 612(1) of the Taxes Act who falls within the provisions of subsection (5)(b) of section 417 of that Act (read with subsections (3), (4) and (6) of that section(b));

“dependant” and “surviving spouse” have the respective meanings, and shall be determined at the time, given by section 636(2) of the Taxes Act;

“electronic signature” has the meaning given by section 7(2) of the Electronic Communications Act 2000(c);

“the 1999 Act” means the Welfare Reform and Pensions Act 1999(d);

“the 1999 Order” means the Welfare Reform and Pensions (Northern Ireland) Order 1999(e);

“Part XIV” means Part XIV of the Taxes Act;

“pension credit” means a credit under section 29(1)(b) of the 1999 Act or Article 26(1)(b) of the 1999 Order, “transferee” means the person who becomes entitled to the pension credit under either of those provisions, and “pension debit” means a debit under section 29(1)(a) of that Act or Article 26(1)(a) of that Order;

“pension date” has the meaning given by section 630(1) of the Taxes Act(f);

“pension sharing order or provision” means any such order or provision as is mentioned in section 28(1) of the 1999 Act or Article 25(1) of the 1999 Order;

“personal pension scheme”, except in regulation 3, means a personal pension scheme approved by the Board for the purposes of Chapter IV of Part XIV;

“personal pension protected rights premium” means a premium payable under section 55(1) of the Pension Schemes Act 1993(g) or section 51(6)(d) of the Pension Schemes (Northern Ireland) Act 1993(h);

“protected rights” shall be construed in accordance with section 10 of the Pension Schemes Act 1993 and section 6 of the Pension Schemes (Northern Ireland) Act 1993;

“relevant statutory scheme” has the meaning given by section 611A(1) of the Taxes Act(i);

“remuneration” shall be construed in accordance with section 612(1) of the Taxes Act;

“retirement annuity contract” means a retirement annuity contract approved by the Board under Chapter III of Part XIV, and “trust scheme” means a trust scheme approved by the Board under that Chapter;

(a) S.I. 1988/1014; amended by S.I. 1989/1115 and 1997/480.

(b) Subsection (3) was amended by paragraph 6 of Schedule 17 to the Finance Act 1995.

(c) 2000 c. 7.

(d) 2000 c. 30.

(e) S.I. 1999/3147 (N.I. 11).

(f) Section 630 was renumbered as subsection (1) thereof, and the definition of “pension date” was inserted by paragraph 2 of Schedule 11 to the Finance Act 1995.

(g) 1993 c. 48.

(h) 1993 c. 49.

(i) Section 611A was inserted by paragraph 15 of Schedule 6 to the Finance Act 1989 (c. 26) and amended by paragraph 5 of Schedule 6 to the Finance Act 1999 (c. 16).

“scheme member” in relation to an approved retirement benefits scheme or relevant statutory scheme means—

- (a) a member of the scheme to whom benefit is currently accruing as a result of service as an employee, or
- (b) a person who is an ex-spouse of a member of the scheme and whose rights under the scheme derive from a pension sharing order or provision;

“the Taxes Act” means the Income and Corporation Taxes Act 1988;

“transfer payment” in regulations 5 to 7 and 12 includes a payment under paragraph 1(3) of Schedule 5 to the 1999 Act or under paragraph 1(3) of Schedule 5 to the 1999 Order;

“transfer request” means a request in writing in accordance with regulation 4(1), save that a request shall be regarded as in writing if it is furnished by telephonic facsimile transmission, or by electronic communication containing an electronic signature of the individual in question.

Requirements under section 638(2) of the Taxes Act

3. The provision for the making, acceptance and application of transfer payments, which is required to be made by a personal pension scheme, in order that the scheme may be approved by the Board for the purposes of Chapter IV of Part XIV, is the provision set out in regulations 4 to 13 (to be construed using the relevant definitions in regulation 2).

PART II

PROVISION FOR THE MAKING OF TRANSFER PAYMENTS

Basic obligations

4.—(1) Subject to paragraph (2) and regulation 8, where the administrator of a personal pension scheme is requested so to do in writing by an individual who is a member of the scheme, he shall make a transfer payment from the scheme to—

- (a) another personal pension scheme; or
- (b) an approved retirement benefits scheme of which the individual is an existing scheme member (otherwise than in relation to the transfer payment); or
- (c) a relevant statutory scheme of which the individual is an existing scheme member (otherwise than in relation to the transfer payment);

but not to any other approved retirement benefits scheme or relevant statutory scheme.

(2) The transfer payment shall, in respect of arrangements made by the individual in accordance with the scheme which are (wholly or partly) the subject of the transfer request, comprise the whole of the accumulated funds held in connection with those arrangements except that, where the fund—

- (a) includes protected rights, or
- (b) has been, or will be, used to pay a personal pension protected rights premium,

the amount of the funds which represents those rights or has been, or will be, so used may be excluded from the transfer payment.

(3) Before making a transfer payment the administrator shall take all reasonable steps to ensure that the payment is being made to a scheme referred to in paragraph (1)(a) to (c).

(4) The reference in the words of paragraph (1) preceding sub-paragraph (a) to an individual who is a member of a scheme shall be treated as including a reference to a surviving spouse or dependant mentioned in regulation 14(3)(c).

Transfer payments from one personal pension scheme to another—additional obligation to hand over a lump sum certificate where any of the payments originated from certain schemes mentioned in Chapter I

5.—(1) Subject to paragraph (2), the administrator of a personal pension scheme (“the paying scheme”) from which a transfer payment is made in the circumstances described in paragraph (3)

shall, on the making of the payment, give the certificate referred to in paragraph (3)(b) to the administrator of the personal pension scheme to which the payment is made (“the receiving scheme”).

(2) Where only one (or some) of the arrangements made by the individual in accordance with the scheme is being transferred, the administrator of the paying scheme shall apportion any amount shown on the certificate on a proportionate basis, and shall prepare and sign replacement certificates in respect of each part of the funds (including in a case where the amount is nil), and shall give the replacement certificate relating to the funds transferred to the administrator of the receiving scheme.

(3) The circumstances described in this paragraph are where the transfer payment is made from the paying scheme to another personal pension scheme and—

- (a) the payment or part of the payment had its origin in a transfer payment (“the original payment”) from an approved retirement benefits scheme or a relevant statutory scheme, and
- (b) the administrator of the paying scheme holds a certificate which was given in relation to the original payment or any other event showing either—
 - (i) that an amount is payable out of that payment by way of lump sum to the individual in respect of whom the transfer payment will be made, on his pension date, or
 - (ii) that no amount is payable out of that payment by way of lump sum to that individual on his pension date.

Transfer payments from a personal pension scheme to certain schemes mentioned in Chapter I—additional obligation to hand over a “nil” lump sum certificate where any of the payments originated from such schemes

6.—(1) Subject to paragraph (2), the administrator of a personal pension scheme (“the paying scheme”) from which a transfer payment is made in the circumstances described in paragraph (3) shall, on the making of the payment, give the certificate referred to in paragraph (3)(b) to the administrator of the approved retirement benefits scheme or relevant statutory scheme to which the payment is made (“the receiving scheme”).

(2) Where only one (or some) of the arrangements made by the individual in accordance with the scheme is being transferred, the administrator of the paying scheme shall prepare and sign replacement certificates, each in the amount of nil, in respect of each part of the funds, and shall give the replacement certificate relating to the funds transferred to the administrator of the receiving scheme.

(3) The circumstances described in this paragraph are where the transfer payment is made from the paying scheme to an approved retirement benefits scheme or a relevant statutory scheme and—

- (a) the payment or part of the payment had its origin in a transfer payment (“the original payment”) from an approved retirement benefits scheme or relevant statutory scheme, and
- (b) the administrator of the paying scheme holds a certificate which was given in relation to the original payment or any other event showing that no amount may be paid out of that payment by way of lump sum to the individual in respect of whom the transfer payment will be made.

PART III

PROVISION FOR THE ACCEPTANCE OF TRANSFER PAYMENTS

Basic obligation

7. Subject to regulations 4 and 8, a personal pension scheme may accept a transfer payment from—

- (a) another personal pension scheme;
- (b) an approved retirement benefits scheme;
- (c) a relevant statutory scheme;
- (d) a retirement annuity contract or trust scheme; or
- (e) a fund to which section 608 of the Taxes Act applies;

but shall not accept a transfer payment from any other source without the prior written approval of the Board.

Prohibition of acceptance of certain transfer payments from certain schemes mentioned in Chapter I unless the administrator has obtained a certificate as to the value of the proposed transfer payment

8.—(1) A personal pension scheme shall not accept a transfer payment from—

- (a) an approved retirement benefits scheme (other than an annuity contract securing relevant benefits as described in section 591(2)(g) of the Taxes Act^(a) where that contract is made before 6th April 2001), or
- (b) a relevant statutory scheme,

(“the paying scheme”) in the circumstances described in paragraph (2) unless the administrator of the personal pension scheme has obtained the certificate referred to in paragraph (3) from the administrator of the paying scheme.

(2) The circumstances described in this paragraph are circumstances where, in relation to any employment to which the proposed transfer payment, or any part of it, relates—

- (a) the individual is, or has been at any time during the period of ten years prior to the date of the proposed transfer payment (“the proposed transfer date”), a controlling director, or
- (b)
 - (i) the individual’s annual remuneration is, or was, for any year of assessment falling (wholly or partly) during the period of six years prior to the proposed transfer date, more than the allowable maximum (within the meaning of section 640A(2)(b) of the Taxes Act) for the year of assessment in which the proposed transfer date falls, and
 - (ii) the individual’s age at the proposed transfer date will be not less than 45 years.

(3) The certificate referred to in this paragraph is a certificate, signed by the administrator of the paying scheme, which shows that the proposed transfer payment does not exceed the maximum amount which may be transferred from an approved retirement benefits scheme or relevant statutory scheme to a personal pension scheme calculated in accordance with Appendix XI of “Occupational Pension Schemes Practice Notes (IR 12)” published by the Board on 22nd January 2001.

PART IV

PROVISION FOR THE APPLICATION OF TRANSFER PAYMENTS

Basic obligations

9. Subject to regulations 10 to 14, any transfer payment accepted by a personal pension scheme in accordance with these Regulations shall only be used for providing benefits listed in section 633(1) of the Taxes Act^(c) or for making a further transfer payment subject to the provisions of these Regulations.

Application of transfer payments to a personal pension scheme from or originating from certain schemes mentioned in Chapter I for the provision of “death benefits”

10.—(1) Where a personal pension scheme has in the circumstances described in regulation 8(2) (omitting the word “proposed” wherever it occurs) accepted a transfer payment from—

(a) Section 591(2)(g) was amended by Part V(12) of Schedule 26 to the Finance Act 1994 (c. 9).
 (b) Section 640A was inserted by paragraph 4 of Schedule 7 to the Finance Act 1989 (c. 26).
 (c) Section 633(1) was amended by paragraph 3 of Schedule 11 to the Finance Act 1995 (c. 4) and section 172 of the Finance Act 1996 (c. 8).

- (a) an approved retirement benefits scheme, or
- (b) a relevant statutory scheme, or
- (c) another personal pension scheme in circumstances where the transfer payment, or part of it, had its origin in a transfer payment from an approved retirement benefits scheme or a relevant statutory scheme,

the accumulated value arising from that transfer payment or, as the case may be, that part shall be applied after the death of the individual referred to in regulation 8(2) in accordance with paragraph (2) or (3), in the events described in paragraph (2).

(2) Where the individual dies before any benefits have been paid to him under an arrangement under which the transfer payment falls to be held, the accumulated value arising from that transfer payment or, as the case may be, that part shall be applied—

- (a) wholly to secure the payment to a surviving spouse or (if the arrangement so provides) a dependant of an annuity which satisfies the conditions in section 636 of the Taxes Act **(a)**, or
- (b) to secure the payment of income withdrawals by the surviving spouse or (if the arrangement so provides) the dependant with respect to which the conditions in section 636A**(b)** of the Taxes Act are satisfied and, as to any amount not used for that purpose, to secure the payment to the surviving spouse or (if the arrangement so provides) the dependant of such an annuity as is referred to in sub-paragraph (a), or
- (c) as to not more than 25 per cent. to secure the payment of a lump sum and as to the balance to secure the payment to the surviving spouse or (if the arrangement so provides) the dependant of such an annuity as is referred to in sub-paragraph (a), or of such income withdrawals and annuity as are referred to in sub-paragraph (b).

(3) In the events described in the words of paragraph (2) preceding sub-paragraph (a), subject to sub-paragraphs (a) to (c) of that paragraph, the whole of the accumulated value may be applied to secure the payment of a lump sum.

Application of transfer payments to a personal pension scheme from or originating from certain schemes mentioned in Chapter I for the provision of lump sums to the member

11.—(1) Where in the circumstances described in regulation 8(2) (omitting the word “proposed” wherever it occurs) a personal pension scheme (“the receiving scheme”) accepts a transfer payment from—

- (a) an approved retirement benefits scheme, or
- (b) a relevant statutory scheme, or
- (c) another personal pension scheme in circumstances where the transfer payment or part of it had its origin in a transfer payment (“the original payment”) from an approved retirement benefits scheme or a relevant statutory scheme,

(“the paying scheme”) the provisions of paragraph (2) shall apply.

(2) Where the provisions of this paragraph apply—

- (a) no amount may be paid to the individual in respect of whom the transfer payment is made by way of lump sum on his pension date out of the transfer payment or, as the case may be, the part of that payment unless the administrator of the receiving scheme has obtained from the administrator of the paying scheme the lump sum certificate required by the certificating requirements; and
- (b) the amount which may be so paid by way of lump sum may not exceed the aggregate of the amount shown in any such certificate (“the basic amount”) and any amount by which the basic amount may be enhanced at the date of payment.

(3) For the purposes of paragraph (2) the amount by which the basic amount may be enhanced is the result of applying to the basic amount the percentage increase in the retail prices index between—

(a) Section 636 was amended by paragraph 6 of Schedule 11 to the Finance Act 1995 and paragraph 13 of Schedule 10 to the Finance Act 1999 (c. 16).

(b) Section 636A was inserted by paragraph 7 of Schedule 11 to the Finance Act 1995.

- (a) (i) in a case falling within paragraph (1)(a) or (b), the month in which the transfer payment referred to in the words preceding paragraph (1)(a) was received, or
- (ii) in a case falling within paragraph (1)(c), the month in which the original payment was made, and
- (b) the last month for which that index had been published at the date of the payment by way of lump sum.

(4) The reference in paragraph (3) to the retail prices index shall be construed in accordance with section 833(2) of the Taxes Act(a) as if it were a reference in the Income Tax Acts.

Application of transfer payments to a personal pension scheme where a “nil” lump sum certificate is held

12. Where—

- (a) a personal pension scheme has accepted a transfer payment in accordance with regulation 7, and
- (b) the administrator of the scheme holds a certificate given under any of the certifying requirements with regard to the transfer payment or any other event, showing that no amount is payable out of that payment by way of lump sum to the individual in respect of whom the transfer payment was made on his pension date,

no such lump sum may be paid out of the accumulated value arising from that transfer payment.

Obligations where there is a pension sharing order or provision

13.—(1) Where—

- (a) a transfer payment has been accepted by a personal pension scheme in the circumstances described in regulation 5(3) (omitting sub-paragraph (b)(ii) and the word “either” preceding sub-paragraph (b)(i)), and
- (b) a pension sharing order or provision is subsequently made against the individual in respect of whom the payment was made,

the administrator of the receiving scheme shall recalculate the amount shown on the certificate referred to in regulation 5(2) or (3)(b), according to any debit to which the individual’s rights under the scheme become subject by virtue of that order or provision, and shall prepare and sign a replacement certificate in respect of the individual’s rights remaining after the reduction referred to in section 29 of the 1999 Act(b) or Article 26 of the 1999 Order(c) has taken place.

(2) Where—

- (a) a transfer payment has been accepted by a personal pension scheme in the circumstances described in regulation 5(3) (omitting sub-paragraph (b)(i) and the word “either” which precedes it), and
- (b) a pension sharing order or provision is subsequently made against the individual in respect of whom the payment was made,

the administrator of the receiving scheme shall prepare and sign a certificate in respect of the pension credit to which the transferee becomes entitled, showing that no amount may be paid out of the original payment by way of lump sum to the transferee.

(3) Where, after the date which is a member’s pension date in relation to the arrangements in question, a pension sharing order or provision is made against that member, the administrator of the scheme shall prepare and sign a certificate in respect of the pension credit to which the transferee becomes entitled, showing that no amount may be paid out of the pension credit by way of lump sum to the transferee.

(4) The reference in paragraph (1) to a certificate referred to in regulation 5(2) or (3)(b) includes a reference to a certificate given under regulation 4 of the Personal Pension Schemes (Transfer Payments) Regulations 1988(d).

(a) Section 833(2) was amended by S.I. 1996/273.

(b) 1999 c. 30.

(c) S.I. 1999/3147 (N.I. 11).

(d) S.I. 1988/1014; regulation 4 was amended by S.I. 1989/1115.

PART V

EXCEPTIONS TO SECTION 638(7A) OF THE TAXES ACT AND SUPPLEMENTAL

Exceptions to section 638(7A) of the Taxes Act

14.—(1) Paragraphs (2) and (3) prescribe situations which fall within the exception in section 638(7A) of the Taxes Act(**a**) with regard to the making of transfer payments.

(2) The first situation is where—

- (a) the transfer payment is from the personal pension scheme (“the paying scheme”) to another personal pension scheme (“the receiving scheme”);
- (b) income withdrawals are being made by the member from the paying scheme with respect to which the conditions in section 634A(**b**) of the Taxes Act are satisfied, and the period of deferral of the purchase of an annuity has not ended;
- (c) the transfer payment comprises the whole of the funds held under any arrangement which is the subject of the transfer payment;
- (d) where any of the funds referred to in sub-paragraph (c) was the subject of, or represents the proceeds of, an earlier transfer payment made in accordance with this paragraph (“the earlier transfer payment”), the period between the earlier transfer payment and the transfer payment referred to in sub-paragraph (a) is not less than one year;
- (e) the arrangements made in accordance with the receiving scheme (“the new arrangements”) were set up by the member for the purpose of accepting the transfer payment, or a previous or contemporaneous transfer payment which fell or falls within this first situation, and prohibit the acceptance of—
 - (i) contributions, or
 - (ii) further transfer payments which do not fall within this first situation;
- (f) under the new arrangements the member elects to defer the purchase of such an annuity as is mentioned in section 634 of the Taxes Act(**c**), and to make income withdrawals as mentioned in sub-paragraph (b), and that election takes effect simultaneously with the transfer payment; and
- (g) no benefit referred to in section 633(1)(b) or (d) of the Taxes Act(**d**) is payable under the new arrangements.

(3) The second situation is where—

- (a) the transfer payment is from the paying scheme to another personal pension scheme (“the receiving scheme”);
- (b) the member referred to in section 634 of the Taxes Act (“the original member”) has died;
- (c) a surviving spouse or dependant referred to in section 636 of the Taxes Act is making income withdrawals from the paying scheme with respect to which the conditions in section 636A of the Taxes Act(**e**) are satisfied, and the period of deferral of the purchase of an annuity has not ended;
- (d) the arrangements made in accordance with the receiving scheme by the surviving spouse or dependant (“the substitute member”) were set up for the purpose of accepting the transfer payment, or a previous or contemporaneous transfer payment which fell or falls within this second situation, and prohibit the acceptance of—

(a) Section 638(7A) was inserted by paragraph 9 of Schedule 11 to the Finance Act 1995.

(b) Section 634A was inserted by paragraph 4 of Schedule 11 to the Finance Act 1995.

(c) Section 634 was amended by paragraph 12 of Schedule 10 to the Finance Act 1999 (c. 16).

(d) Section 633(1) was amended by paragraph 3 of Schedule 11 to the Finance Act 1995 and section 172 of the Finance Act 1996 (c. 8).

(e) Section 636A was inserted by paragraph 7 of Schedule 11 to the Finance Act 1995, and amended by paragraph 14 of Schedule 10 to the Finance Act 1999 and paragraph 12 of Schedule 13 to the Finance Act 2000 (c. 17).

- (i) contributions, or
 - (ii) further transfer payments which do not fall within this second situation;
- (e) under the arrangements referred to in sub-paragraph (d) (“the new arrangements”) the substitute member elects to defer the purchase of an annuity and to make income withdrawals with respect to which the conditions in section 634A of the Taxes Act are satisfied;
- (f) the income withdrawals referred to in sub-paragraph (e) cannot be made after the original member would have attained the age of 75 or, if earlier, after the substitute member attains that age;
- (g) the election referred to in sub-paragraph (e) takes effect simultaneously with the transfer payment;
- (h) any benefit under the new arrangements corresponds to a benefit which would have been payable to the same person under the paying scheme (and “the same person” means the same individual, without having regard to the way in which that or any other individual is defined in the new arrangements); and
- (i) the conditions in paragraph (2)(c), (d) and (g) are satisfied (construing the references in paragraph (2)(d) to “this paragraph” and “sub-paragraph (a)” as if they were references to the present paragraph and sub-paragraph (a) of this paragraph).

Revocations and transitional provision

15.—(1) Regulations 8 and 9 of the Personal Pension Schemes (Transfer Payments) Regulations 1988(a) shall cease to have effect where the death of the individual referred to in the former regulation occurs on or after 6th April 2001, and regulation 10 of these Regulations shall have effect where the death of the individual referred to in that regulation occurs on or after 6th April 2001.

(2) The Personal Pension Schemes (Transfer Payments) Regulations 1988, the Personal Pension Schemes (Transfer Payments) (Amendment) Regulations 1989(b) and the Personal Pension Schemes (Transfer Payments) (Amendment) Regulations 1997(c) shall otherwise cease to have effect.

(3) Any transfer payment made under, and any certificate supplied or obtained under a provision of, the Personal Pension Schemes (Transfer Payments) Regulations 1988 shall be treated for the purposes of these Regulations as if made, supplied or obtained, as the case may be, under the corresponding provision (if any) of these Regulations.

Tim Flesher
Dave Hartnett

23rd January 2001

Two of the Commissioners of Inland Revenue

(a) S.I. 1988/1014.
(b) S.I. 1989/1115.
(c) S.I. 1997/480.

EXPLANATORY NOTE

(This note is not part of the Regulations)

Section 638(2) of the Income and Corporation Taxes Act 1988 (“section 638(2)” and “the Taxes Act” respectively) provides that the Commissioners of Inland Revenue (“the Board”) shall not approve a personal pension scheme unless it makes such provision for the making, acceptance and application of transfer payments as satisfies any requirements imposed by or under regulations made by the Board. These Regulations amend and consolidate those requirements.

Regulation 1 provides for citation and commencement and regulation 2 contains definitions.

Regulation 3 provides that the requirements referred to in section 638(2) are to make the provision set out in regulations 4 to 13.

Regulations 4, 5 and 6 set out the provision for the making of transfer payments to other personal pension schemes, certain retirement benefits schemes and statutory schemes.

Regulations 7 and 8 set out the provision for the acceptance by personal pension schemes of transfer payments from other personal pension schemes, retirement benefits schemes, relevant statutory schemes and retirement annuity contract or trust schemes.

The publication “Occupational Pension Schemes Practice Notes (IR 12)” referred to in regulation 8(3) may be obtained from the PSO Stationery Order Line, Pension Schemes Office, Yorke House, PO Box 62, Castle Meadow Road, Nottingham NG2 1BG (tel: 0115 974 1670), or from web site: www.inlandrevenue.gov.uk (Revenue leaflets).

Regulations 9 to 12 set out provision for the application of transfer payments made to personal pension schemes. Regulation 13 imposes obligations relating to the preparation of lump sum certificates where a pension sharing order or provision has been made.

Regulation 14 prescribes exceptions to section 638(7A) of the Taxes Act, allowing the transfer of funds which are subject to income drawdown in the circumstances specified.

Regulation 15 contains revocations and provides for the continuity of transfer payments made, and certificates given, under the revoked Regulations.

The Regulatory Impact Assessment for these Regulations can be obtained from Inland Revenue (Capital and Savings), Room 134, New Wing, Somerset House, Strand, London WC2R 1LB or from web site: www.inlandrevenue.gov.uk

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