
STATUTORY INSTRUMENTS

2006 No. 575

The Pension Protection Fund (Tax) Regulations 2006

Application of Part 4 of FA 2004: further provisions

23.—(1) For the purposes of benefit crystallisation event 2 (see the Table in section 216(1) of FA 2004) “P” is the amount of the periodic payments which will be payable to the individual in the period of 12 months beginning with the day on which the individual first becomes entitled to a periodic payment (assuming that it remains payable throughout that period at the rate at which it is payable on that day).

(2) Benefit crystallisation event 2 does not apply if—

- (a) an individual becomes entitled to a scheme pension under a relevant pension scheme,
- (b) the Board of the Pension Protection Fund assumes responsibility for that relevant pension scheme, and
- (c) the individual receives periodic compensation from the Pension Protection Fund under Schedule 7 to the Pensions Act or Schedule 6 to the Pensions Order (pension compensation provisions) in respect of the scheme pension mentioned in sub-paragraph (a).

(3) For the purposes of benefit crystallisation event 5 “DP” is the annual rate of periodic compensation to which the individual would be entitled if, on the date on which the individual reaches 75, the individual acquired an actual (rather than a prospective) right to receive it.

(4) Subject to the provisions of this regulation, section 216 of FA 2004 (benefit crystallisation events and amounts crystallised) applies to the payment, by the Board of the Pension Protection Fund, of any amount falling within section 166(2) of the Pensions Act or Article 150(2) of the Pensions Order (duty to pay scheme benefits unpaid at assessment date) in the same way as it would apply if that payment had been made by a registered pension scheme.

(5) Schedule 32 to FA 2004 (registered pension schemes: benefit crystallisation events: supplementary) applies to give the meaning of expressions used in this regulation as it applies to give the meaning of expressions used in the Table in section 216(1) of FA 2004 (benefit crystallisation events and amounts crystallised).