

---

STATUTORY INSTRUMENTS

---

**2006 No. 745**

**The Taxation of Pension Schemes  
(Consequential Amendments) Order 2006**

**PART 1**

**Consequential Amendments to Primary Legislation**

**Amendment of the Welfare Reform and Pensions Act 1999**

**15.**—(1) The Welfare Reform and Pensions Act 1999<sup>(1)</sup> is amended as follows.

(2) In section 1 (meaning of “stakeholder pension scheme”)—

(a) in subsection (8)—

(i) omit “, except in so far as is necessary to ensure that the scheme has tax-exemption or tax-approval (within the meaning of the 1993 Act),”;

(ii) for paragraph (b) substitute—

“(b) contracts and schemes that became registered pension schemes by virtue of paragraph 1(1)(f) of Schedule 36 to the Finance Act 2004 (pension schemes etc.: transitional provisions and savings)”;

(b) for subsection (9) substitute—

“(9) The eighth condition is that the scheme is a registered pension scheme under section 153 of the Finance Act 2004 (registration of pension schemes).”.

(3) In section 11 (effect of bankruptcy on pension rights: approved arrangements)—

(a) in subsection (2)—

(i) for paragraph (a) substitute—

“(a) a pension scheme registered under section 153 of the Finance Act 2004.”;

(ii) omit paragraphs (b), and (d) to (f);

(iii) in paragraph (c) for “a retirement benefits scheme” substitute “an occupational pension scheme”; and

(iv) for paragraph (g) substitute—

“(g) an annuity purchased for the purpose of giving effect to rights under a scheme falling within paragraph (a), including an annuity in payment before 6th April 2006, giving effect to rights under any scheme approved—

(i) before that date under Chapters 1, 3 or 4 of Part 14 of the Taxes Act; or

- (ii) any relevant statutory scheme, as defined in section 611 of that Act.”.
- (b) omit subsection (3);
- (c) for subsection (4) substitute—
  - “(4) Subsection (5) applies if—
    - (a) at the time when a bankruptcy order is made against a person, an appeal against a decision not to register a pension scheme has been made under section 156 of the Finance Act 2004, and
    - (b) the decision of the General or Special Commissioners (see section 156(3) of that Act) is to uphold the decision of Her Majesty’s Revenue and Customs not to register the scheme.”;
  - (d) in subsection (5)(a) after “the” insert “General or Special”;
  - (e) for subsection (6) substitute—
    - “(6) Subsection (7) applies if, at any time after a bankruptcy order is made against a person Her Majesty’s Revenue and Customs—
      - (a) give notice withdrawing registration of the pension scheme under section 157 of the Finance Act 2004, and
      - (b) the date specified as being that from which de-registration occurs under subsection (4) of that section (“the de-registration date”) is the date from which the scheme ceases to be a registered pension scheme.”;
    - (f) in subsection (8) for “withdrawal date” substitute “de-registration date”;
    - (g) in subsection (11) for paragraphs (a) and (b) substitute—
      - “(a) “occupational pension scheme” has the meaning given in section 150(5) of the Finance Act 2004;
      - (b) “pension scheme” has the meaning given in section 150(1) of the Finance Act 2004 and “registered pension scheme” means a pension scheme registered under section 153 of the Finance Act 2004;”.
- (4) In sections 26(1) (interpretation of Part 3) and 46(1) (interpretation of Chapter 1 of Part 4) for the definition of “retirement annuity contract” substitute—
  - ““retirement annuity contract” means an annuity contract or trust scheme approved under section 620 or 621 of the Income and Corporation Taxes Act 1988 or a substituted contract within the meaning of section 622(3) of that Act which became a registered pension scheme by virtue of paragraph 1(1)(f) of Schedule 36 to the Finance Act 2004;”;
- (5) In paragraph 7(1) of Schedule 5 (pension credits: mode of discharge)—
  - (a) for “approved for the purposes of Part 14 of the Income and Corporation Taxes Act 1988,” substitute “a registered pension scheme under section 153 of the Finance Act 2004;”;
  - (b) in sub-paragraph (a) for “approved” substitute “registered”.