
STATUTORY INSTRUMENTS

2010 No. 429

**The Special Annual Allowance Charge
(Protected Pension Input Amounts) Order 2010**

Amendment of Schedule 35 to the Finance Act 2009

7.—(1) In sub-paragraph (1) of paragraph 11 (protected pension input amounts: other existing money purchase arrangements under other pension schemes) for “This paragraph” substitute “Sub-paragraph (2)”.

(2) After sub-paragraph (3) of paragraph 11 insert—

“(3A) If the individual—

- (a) has been an active member of a pension scheme by reference to an arrangement (“the old arrangement”) in circumstances in which the amount arrived at under paragraph 3(2) in relation to the arrangement has been to any extent a protected pension input amount by virtue of this paragraph, and
- (b) no later than the end of the period of 3 months beginning with the date on which the individual ceased being an active member of the pension scheme by reference to the old arrangement, made an arrangement (“the new arrangement”) which is a money purchase arrangement other than a cash balance arrangement under a different pension scheme which is neither an occupational pension scheme nor a public service pension scheme and does not form part of a group personal pension scheme,

the amount arrived at under paragraph 3(2) in relation to the new arrangement is a protected pension input amount to the extent specified in sub-paragraph (3B).

(3B) The amount is a protected pension input amount to the extent that it is attributable to contributions paid under the new arrangement which—

- (a) are paid on a quarterly or more frequent basis from the date (“the joining date”) on which the individual became an active member of the pension scheme by reference to the new arrangement without any failure to pay contributions payable on or after that date on more than an insignificant number of occasions, and
- (b) are paid at a rate which is no higher than the rate at which contributions under the old arrangement were paid and which has not increased during the period beginning with the joining date and ending with the relevant end date.

(3C) Sub-paragraph (3B) does not apply in relation to any contributions made under the new arrangement if—

- (a) the old arrangement has been re-activated within the meaning of paragraph 13(7) on or after the joining date, or
- (b) the individual has made more than one new arrangement on or after the joining date.”.