
STATUTORY INSTRUMENTS

2011 No. 1792

INCOME TAX

The Registered Pension Schemes (Prescribed Requirements of Flexible Drawdown Declaration) Regulations 2011

<i>Made</i>	- - - -	<i>20th July 2011</i>
<i>Laid before the House of Commons</i>	- - - -	<i>21st July 2011</i>
<i>Coming into force</i>	- -	<i>11th August 2011</i>

The Commissioners for Her Majesty's Revenue and Customs make the following Regulations in exercise of the powers conferred by sections 251(1)(a), (4)(b), (5) and 282(A1) of, and paragraphs 14E(1) and 24G(1) of Schedule 28 to, the Finance Act 2004(1) and now exercisable by them(2).

Citation, commencement and effect

1.—(1) These Regulations may be cited as the Registered Pension Schemes (Prescribed Requirements of Flexible Drawdown Declaration) Regulations 2011 and come into force on 11th August 2011.

(2) These Regulations have effect for the tax year 2011-12 and subsequent years.

Prescribed requirements of valid declaration

2.—(1) Paragraphs (2) and (3) of this regulation provide for the prescribed requirements of a valid declaration made under sections 165(3A)(b) or 167(2A)(b)(3) of the Finance Act 2004.

(2) The declaration must be signed and dated by the member or dependant (“the member”) and contain—

- (a) the information specified in paragraph (3);
- (b) a statement confirming that the flexible drawdown conditions are met;

(1) 2004 c. 12. Section 251 was amended by paragraph 47 of Schedule 10 to the Finance Act 2005 (c. 7) and section 49 of the Finance Act 2010 (c. 13). Paragraphs 14E and 24G of Schedule 28 were respectively inserted by paragraphs 10 and 20 of Schedule 16 to the Finance Act 2011 (c. 11). Section 282(A1) was inserted by section 75(1) of the Finance Act 2009 (c. 10).

(2) The functions of the Commissioners of Inland Revenue were transferred to the Commissioners for Her Majesty's Revenue and Customs by section 5(1) of the Commissioners for Revenue and Customs Act 2005 (c. 11). Section 50 of that Act provides that in so far as it is appropriate in consequence of section 5, a reference in an enactment, however expressed, to the Commissioners of Inland Revenue is to be treated as a reference to the Commissioners for Her Majesty's Revenue and Customs.

(3) Sections 165(3A)(b) and 167(2A)(b) were respectively inserted by paragraphs 1 and 11 of Schedule 16 to the Finance Act 2011.

- (c) a statement confirming that the contents of the declaration are correct and complete to the best of the member's knowledge and belief, and
 - (d) (where sections 165(3A) or 167(2A) have previously applied to an arrangement relating to the member), a statement confirming that the declaration referred to in either of those subsections, was accepted by the scheme administrator of the registered pension scheme under which the arrangement was made.
- (3) The specified information is—
- (a) the member's full name;
 - (b) the member's sole or main address;
 - (c) the member's national insurance number (unless regulation 3 applies);
 - (d) details of each source of relevant income payable to the member for the tax year in respect of which the minimum income requirement is satisfied ("the declaration year"), including the name and address of the person responsible for making the payments of the relevant income; and
 - (e) the total amount of relevant income payable in respect of the source referred to in paragraph (d) for the declaration year.

Procedure where the member does not qualify for a national insurance number

3.—(1) This paragraph applies where a member does not qualify for a national insurance number and wishes to make a valid declaration under sections 165(3A)(b) or 167(2A)(b) of the Finance Act 2004.

(2) The member must provide written confirmation to the scheme administrator that the member does not qualify for a national insurance number together with details of any unique tax references relating to the member (if available).

(3) The scheme administrator must then provide Her Majesty's Revenue and Customs with the information referred to in paragraph (2) which has been received from the member together with the member's date of birth and address.

*Melanie Dawes
Dave Hartnett*

Two of the Commissioners for Her Majesty's
Revenue and Customs

20th July 2011

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe the requirements for a “valid declaration” that a member of a registered pension scheme or a dependant of a member meets “the flexible drawdown conditions” set out in section 165(3B) or 167(2B) of the Finance Act 2004 as amended by paragraphs 10 and 20 of Schedule 16 to the Finance Act 2011.

Regulation 1 provides for citation, commencement and effect. The Regulations have retrospective effect from 6 April 2011 pursuant to the power in section 282(A1) of the Finance Act 2004.

Regulation 2 sets out the prescribed requirements for a valid declaration.

Regulation 3 sets out the procedure to be followed if a scheme member or dependant wishes to make a valid declaration but does not qualify for a national insurance number.

A Tax Information and Impact Note covering this instrument was published on 9 December alongside draft legislation for the Finance (No.3) Bill 2011 concerning the removal of the effective requirement to annuitise by age 75 and is available on the HMRC website at <http://www.hmrc.gov.uk/thelibrary/tiins.htm>. It remains an accurate summary of the impacts that apply to this instrument.