

These notes relate to the Scottish Parliamentary Pensions Act 2009 (asp 1) which received Royal Assent on 25 February 2009

SCOTTISH PARLIAMENTARY PENSIONS ACT 2009

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part R Taxes

Rule 98: Payment of lifetime allowance charge from Pension Fund

411. Rule 98(1) determines that, in the absence of the appropriate instruction and payment under rule 97(2), the Fund trustees must pay the lifetime allowance charge from the Pension Fund. Where the charge arises on the Fund because of a transfer of benefits to a qualifying recognised overseas pension scheme (benefit crystallisation event 8 under section 216 of the Finance Act 2004), rule 98(2)(a) requires the Fund trustees to deduct an amount equivalent to the transfer value. For all other crystallisation events, rule 98(2) (b) requires the trustees to deduct the amount charged on the Fund from the individual's pension benefits.
412. Rule 98(3) requires that any reduction in benefits must, in the scheme actuary's opinion, reflect the amount of the charge paid under rule 97.