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DRAFT SCOTTISH STATUTORY INSTRUMENTS

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**2015 No.**

**The National Health Service Pension Scheme  
(Consequential Provisions) (Scotland) Regulations 2015**

**PART 4**

**Modification of tax regime**

**Lifetime allowance charge**

- 14.**—(1) This regulation applies to a person (P) who—
- (a) is a member of the old scheme whether by virtue of pensionable service for that scheme or deemed transfer scheme service under paragraph 2 of Schedule 7 to the 2013 Act (final salary link);
  - (b) is a member of the new scheme by virtue of pensionable service for the new scheme;
  - (c) is being paid an ill-health pension at Lower Tier or Upper Tier under the new scheme; and
  - (d) has an ill-health pension paid from the new scheme reduced as a consequence of P becoming entitled to payment of a scheme pension (within the meaning of paragraph 2 of Schedule 28 to the Finance Act 2004(1)) under the old scheme.
- (2) Section 216 of the Finance Act 2004(2) (benefit crystallisation events and amounts crystallised) is modified in its application to P as specified in paragraph (3).
- (3) The payment of any scheme pension from the old scheme to P is treated as if it was not a benefit crystallisation event within the meaning of section 216 of the Finance Act 2004.

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(1) 2004 c.12. Paragraph 2 was amended by sections 101 and 104 of, and Schedules 10 and 11 to, the Finance Act 2005 (c.7); by section 161 of, and Schedule 23 to, the Finance Act 2006 (c.25); by section 70 of, and Schedule 20 to, the Finance Act 2007 (c.11); by section 51 of the Finance Act 2013 (c.29); and by S.I. 2007/493.

(2) Section 216 was amended by section 101 of, and paragraphs 1 and 31 of Schedule 10 to, the Finance Act 2005 (c.7); section 161 of, and paragraphs 1 and 30 of Schedule 23 to, the Finance Act 2006 (c.25); by section 92 of, and paragraphs 4 and 5 of Schedule 29 to, the Finance Act 2008 (c.9); and by section 65 of, and paragraphs 62 and 73 of Schedule 16 to, the Finance Act 2011 (c.11).