



# Pension Schemes Act 1993

## 1993 CHAPTER 48

### PART III

#### CERTIFICATION OF PENSION SCHEMES AND EFFECTS ON MEMBERS' STATE SCHEME RIGHTS AND DUTIES

### CHAPTER II

#### REDUCTION IN STATE SCHEME CONTRIBUTIONS AND SOCIAL SECURITY BENEFITS FOR MEMBERS OF CERTIFIED SCHEMES

*Minimum contributions: members of appropriate personal pension schemes*

#### **45 Amount of minimum contributions**

- (1) Subject to subsection (2), in relation to any tax week falling within a period for which the Secretary of State is required to pay minimum contributions in respect of an earner, the amount of those contributions shall be an amount equal to the aggregate amount of the reductions in Class 1 contributions which would fall to be made under section 41(1) if any employment of his which is not contracted-out were contracted-out employment.
- (2) Where—
- (a) subsection (1) applies;
  - (b) the tax year in which the tax week falls ends before such date as may be prescribed; and
  - (c) the earner was over the age of 30 on the 6th April with which the tax year began,

there shall be added to the amount payable under that subsection an amount equal to 1 per cent. of so much of those earnings as respects which those reductions would fall to be made.

(3) Regulations may make provision—

- (a) for earnings to be calculated or estimated in such manner and on such basis as may be prescribed for the purpose of determining whether any, and if so what, minimum contributions are payable in respect of them;
- (b) for the adjustment of the amount which would otherwise be payable by way of minimum contributions so as to avoid the payment of trivial or fractional amounts;
- (c) for the intervals at which, for the purposes of minimum contributions, payments of earnings are to be treated as made;
- (d) for the manner in which an earner's age is to be verified for the purposes of subsection (2);
- (e) for this section to have effect in prescribed cases as if for any reference to a tax week there were substituted a reference to a prescribed period, and for the references to a tax week in section 41(1) to have effect accordingly so far as they apply for the purposes of this section;
- (f) as to the manner in which and time at which or period within which minimum contributions are to be made.