



Pension Schemes Act 1993

1993 CHAPTER 48

PART III

[^{F1}SCHEMES THAT WERE CONTRACTED-OUT ETC] AND
EFFECTS ON MEMBERS' STATE SCHEME RIGHTS ^{F1}...

CHAPTER I

[^{F1}SCHEMES THAT WERE CONTRACTED-OUT: GUARANTEED
MINIMUM PENSIONS AND ALTERATION OF SCHEME RULES ETC]

Preliminary

8 Meaning of “contracted-out employment”, “guaranteed minimum pension” and “minimum payment”.

[^{F1}(1) In relation to any period before the second abolition date, the employment of an earner in employed earner's employment was “contracted-out employment” in relation to the earner during that period if—

- (a) the earner was under pensionable age;
- (b) the earner's service in the employment was service which qualified the earner for a pension provided by a salary related contracted-out scheme; and
- (c) there was in force a contracting-out certificate issued in accordance with this Chapter (as it then had effect) stating that the employment was contracted-out employment by reference to the scheme.]

[^{F2}(1A) In addition, in relation to any period before [^{F3}the first abolition date], the employment of an earner in employed earner's employment was “contracted-out employment” in relation to him during that period if—

- (a) he was under pensionable age;
- (b) his employer made minimum payments in respect of his employment to a money purchase contracted-out scheme, and

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- (c) there was in force a contracting-out certificate issued in accordance with this Chapter (as it then had effect) stating that the employment was contracted-out employment by reference to the scheme.]

[^{F4}(1B) In the following provisions of this Act “earner”, in relation to a scheme, means a person who was an earner in contracted-out employment by reference to the scheme.]

(2) In this Act—

“guaranteed minimum pension” means any pension which is provided [^{F5}, by a scheme that was a salary related contracted-out scheme,] in accordance with the requirements of sections 13 and 17 to the extent to which its weekly rate is equal to the earner’s or, as the case may be, the earner’s [^{F6}widow's, widower’s [^{F7}, surviving same sex spouse's] or surviving civil partner's] guaranteed minimum as determined for the purposes of those sections respectively; and

“minimum payment”, in relation to an earner’s employment in any tax week, means the rebate percentage of so much of the earnings paid to or for the benefit of the earner in that week as exceeds the current lower earnings limit but not [^{F8}the applicable limit] (or the prescribed equivalents if he is paid otherwise than weekly);

[^{F9}and for the purposes of this subsection “rebate percentage” means the appropriate flat rate percentage [^{F10}for the tax year in which the week falls as specified in an order made under section 42B (as it had effect before [^{F3}the first abolition date])]].

[^{F11}(2A) In subsection (2) “the applicable limit” means—

- (a) in relation to a tax year before 2009-10, the upper earnings limit;
 (b) in relation to 2009-10 or any subsequent tax year, the upper accrual point.]

^{F12}(3)

[^{F13}(4) A contracting-out certificate that was in force in respect of an employed earner's employment is to be taken as conclusive that the employment was, at that time, contracted-out employment.]

^{F14}(5)

Textual Amendments

- F1** S. 8(1) substituted (6.4.2016) by [Pensions Act 2014 \(c. 19\)](#), s. 56(4), [Sch. 13 para. 7\(2\)](#)
F2 S. 8(1A) inserted (26.9.2007 for specified purposes, 6.4.2012 in so far as not already in force, that being "the abolition date" for the purposes of s. 15(1) of the amending Act) by [Pensions Act 2007 \(c. 22\)](#), ss. 15(4), 30(2)(b)(3), [Sch. 4 para. 3\(3\)](#) (with [Sch. 4 Pt. 3](#)); S.I. 2011/1267, art. 2(a)
F3 Words in Act substituted (6.4.2016) by [Pensions Act 2014 \(c. 19\)](#), s. 56(4), [Sch. 13 para. 2](#)
F4 S. 8(1B) inserted (6.4.2016) by [Pensions Act 2014 \(c. 19\)](#), s. 56(4), [Sch. 13 para. 7\(3\)](#)
F5 Words in s. 8(2) substituted (6.4.2016) by [Pensions Act 2014 \(c. 19\)](#), s. 56(4), [Sch. 13 para. 7\(4\)](#)
F6 Words in s. 8(2) substituted (5.12.2005) by [The Civil Partnership \(Contracted-out Occupational and Appropriate Personal Pension Schemes\) \(Surviving Civil Partners\) Order 2005 \(S.I. 2005/2050\)](#), art. 1(3), [Sch. 1 para. 1](#)
F7 Words in s. 8(2) inserted (E.W.) (13.3.2014) by [Marriage \(Same Sex Couples\) Act 2013 \(c. 30\)](#), s. 21(3), [Sch. 4 para. 19](#); S.I. 2014/93, art. 3(j)(v); same words inserted (S.) (16.12.2014) by [The Marriage and Civil Partnership \(Scotland\) Act 2014 and Civil Partnership Act 2004 \(Consequential Provisions and Modifications\) Order 2014 \(S.I. 2014/3229\)](#), art. 1(2), [Sch. 5 para. 11\(2\)](#)

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- F8** Words in s. 8(2) substituted (21.9.2008) by [National Insurance Contributions Act 2008 \(c. 16\), s. 6\(1\), Sch. 1 para. 8\(2\)](#)
- F9** Words in s. 8(2) substituted (6.4.1997) by [Pensions Act 1995 \(c. 26\), s. 180\(1\), Sch. 5 para. 23\(a\)](#); [S.I. 1997/664](#), art. 2(3), Sch. Pt. 2
- F10** Words in s. 8(2) substituted (26.9.2007 for specified purposes, 6.4.2012 in so far as not already in force, that being "the abolition date" for the purposes of s. 15(1) of the amending Act) by [Pensions Act 2007 \(c. 22\), ss. 15\(4\), 30\(2\)\(b\)\(3\), Sch. 4 para. 3\(4\)](#) (with Sch. 4 Pt. 3); [S.I. 2011/1267](#), art. 2(a)
- F11** S. 8(2A) inserted (21.9.2008) by [National Insurance Contributions Act 2008 \(c. 16\), s. 6\(1\), Sch. 1 para. 8\(3\)](#)
- F12** S. 8(3) repealed (6.4.2015) by [Pensions Act 2007 \(c. 22\), ss. 27\(7\), 30\(2\)\(b\), Sch. 4 para. 47, Sch. 7 Pt. 7](#); [S.I. 2011/1267](#), art. 3(a)(iv)(b) (as amended (20.3.2012) by [S.I. 2012/911](#), art. 2(d))
- F13** S. 8(4) substituted (6.4.2016) by [Pensions Act 2014 \(c. 19\), s. 56\(4\), Sch. 13 para. 7\(5\)](#)
- F14** S. 8(5) repealed (6.4.1997) by [Pensions Act 1995 \(c. 26\), s. 180\(1\), Sch. 5 para. 23\(b\), Sch. 7 Pt. III](#); [S.I. 1997/664](#), art. 2(3), [Sch. Pt. 2](#)
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Commencement Information

- I1** Ss. 1-187 in force at 7.2.1994 by [S.I. 1994/86](#), [art. 2](#)

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Changes and effects yet to be applied to :

- s. 8 applied by [S.S.I. 2018/141 reg. 49\(8\)](#)
- s. 8(2) words substituted by [S.I. 2005/2050 art. 2\(1\)Sch. 1 para. 1](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 46(1A)(1B) inserted by [2008 c. 30 s. 103\(2\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 103(2)(4)(5) repealed (1.10.2014) without ever being in force by 2014 c. 19, Sch. 12 para. 96(a); S.I. 2014/2377, art. 2(1)(a)(ii)(3)(c))
- s. 46(1A) words substituted by [2011 c. 19 Sch. 3 para. 10](#)
- s. 71(1)(aa) substituted by [2015 c. 8 s. 39\(2\)\(a\)](#)
- s. 71(1A) inserted by [2015 c. 8 s. 39\(2\)\(b\)](#)
- s. 71(7)-(10) substituted for s. 71(7)-(11) by [2015 c. 8 s. 39\(4\)](#)
- s. 82A inserted by [2015 c. 8 Sch. 1 para. 2](#)
- s. 83(1A)-(1AC) substituted for s. 83(1A) by [2015 c. 8 Sch. 1 para. 3](#)
- s. 84-84F substituted for s. 84 by [2015 c. 8 Sch. 1 para. 4](#)
- s. 85A inserted by [2015 c. 8 Sch. 1 para. 5](#)
- s. 86A86B inserted by [2015 c. 8 Sch. 1 para. 6](#)
- s. 94(2A)(a)(viii) inserted by [2014 c. 19 Sch. 17 para. 20\(2\)\(a\)](#)
- s. 94(2A)(b)(vi) inserted by [2014 c. 19 Sch. 17 para. 20\(2\)\(b\)](#)
- s. 101AI(8)(a)(viii) inserted by [2014 c. 19 Sch. 17 para. 20\(3\)\(a\)](#)
- s. 101AI(8)(b)(vi) inserted by [2014 c. 19 Sch. 17 para. 20\(3\)\(b\)](#)
- s. 113(4)(4A) substituted for s. 113(4) by [2015 c. 8 s. 38\(5\)](#)
- s. 113(5) words substituted by [2015 c. 8 s. 38\(6\)](#)
- s. 113(10) words substituted by [2015 c. 8 Sch. 2 para. 3](#)
- s. 145(1A)-(1C) inserted by [2004 c. 35 Sch. 12 para. 23](#)
- s. 146(6A) inserted by [2004 c. 35 Sch. 12 para. 24\(b\)](#)
- s. 175A inserted by [2008 c. 30 Sch. 10 para. 1](#)
- s. 185(2)(ca) inserted by [2018 c. 10 s. 19\(5\)](#)
- s. 186(3)(ba) inserted by [2015 c. 8 Sch. 1 para. 7](#)
- s. 186(3)(za) inserted by [2008 c. 30 s. 103\(5\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 103(2)(4)(5) repealed (1.10.2014) without ever being in force by 2014 c. 19, Sch. 12 para. 96(a); S.I. 2014/2377, art. 2(1)(a)(ii)(3)(c))
- Sch. 3 para. A1 and cross-heading inserted by [2015 c. 8 Sch. 1 para. 8](#)