



# Finance Act 2004

## 2004 CHAPTER 12

### PART 4

#### PENSION SCHEMES ETC

### CHAPTER 5

#### REGISTERED PENSION SCHEMES: TAX CHARGES

##### *Annual allowance charge*

#### **237 Hybrid arrangements**

- (1) The pension input amount in respect of a hybrid arrangement is the greater or greatest of such of input amounts A, [<sup>F1</sup>AA,] B and C as are relevant input amounts.
- (2) An input amount is a relevant input amount in the case of a hybrid arrangement if, in any circumstances, the benefits that may be provided to or in respect of the individual under the arrangement may be benefits of the variety mentioned in the definition of that input amount.
- (3) Input amount A is what would be the pension input amount under sections 230 to 232 if the benefits provided to or in respect of the individual under the arrangement were cash balance benefits.
- [<sup>F2</sup>(3A) Input amount AA is what would be the pension input amount under section 233 if the benefits provided to or in respect of the individual under the arrangement were collective money purchase benefits.]
- (4) Input amount B is what would be the pension input amount under section 233 if the benefits provided to or in respect of the individual under the arrangement were [<sup>F3</sup>money purchase benefits that are not cash balance benefits or collective money purchase benefits].

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*Changes to legislation:* There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2004. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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- (5) Input amount C is what would be the pension input amount under sections 234 to [F<sup>4</sup>236A] if the benefits provided to or in respect of the individual under the arrangement were defined benefits.

#### Textual Amendments

- F1** Word in s. 237(1) inserted (1.8.2022) by [Finance Act 2021 \(c. 26\)](#), **Sch. 5 paras. 18(2)**, 25(1); S.I. 2022/874, reg. 2
- F2** S. 237(3A) inserted (1.8.2022) by [Finance Act 2021 \(c. 26\)](#), **Sch. 5 paras. 18(3)**, 25(1); S.I. 2022/874, reg. 2
- F3** Words in s. 237(4) substituted (1.8.2022) by [Finance Act 2021 \(c. 26\)](#), **Sch. 5 paras. 18(4)**, 25(1); S.I. 2022/874, reg. 2
- F4** Word in s. 237(5) substituted (with effect in accordance with Sch. 17 Pt. 2 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **Sch. 17 para. 14**

#### Modifications etc. (not altering text)

- C1** Pt. 4 applied (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), **Sch. 35 para. 18**
- C2** S. 237 applied (with modifications) (6.4.2006) by [The Registered Pension Schemes \(Restriction of Employers Relief\) Regulations 2005 \(S.I. 2005/3458\)](#), regs. 1(1), **8** (with regs. 2-4)
- C3** Ss. 230-237 modified (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), **Sch. 35 para. 5(2)**

#### Commencement Information

- I1** Ss. 160-274, 281, Schs. 30-35 in force at 6.4.2006 but any power to make an order or regulations under those provisions may be exercised at any time after Royal Assent, see s. 284

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**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. 236ZA inserted by [S.I. 2024/357 art. 2\(2\)](#)