



# Pensions Act 2004

## 2004 CHAPTER 35

### PART 5

#### OCCUPATIONAL AND PERSONAL PENSION SCHEMES: MISCELLANEOUS PROVISIONS

##### *Contracting out*

#### **282 Meaning of “working life” in Pension Schemes Act 1993**

In section 181 of the Pension Schemes Act 1993 (c. 48) (general interpretation), in subsection (1) for the definition of “working life” substitute—

““working life”, in relation to a person, means the period beginning with the tax year in which the person attains the age of 16 and ending with—

- (a) the tax year before the one in which the person attains the age of 65 in the case of a man or 60 in the case of a woman, or
- (b) if earlier, the tax year before the one in which the person dies.”

#### **Commencement Information**

**II** S. 282 in force at 6.4.2005 by *S.I. 2005/275, art. 2(7), Sch. Pt. 7*

#### **283 Power to prescribe conditions by reference to Inland Revenue approval**

In section 9 of the Pension Schemes Act 1993 (requirements for certification of schemes: general), after subsection (5) insert—

“(5A) Regulations about pension schemes made under this Chapter may contain provisions framed by reference to whether or not a scheme—

- (a) is approved under Chapter 1 (retirement benefit schemes) of Part 14 of the Income and Corporation Taxes Act 1988, or is a relevant statutory scheme within the meaning of that Chapter, or

*Status: Point in time view as at 01/07/2005.*

*Changes to legislation: Pensions Act 2004, Cross Heading: Contracting out is up to date with all changes known to be in force on or before 06 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

(b) is approved under Chapter 4 (personal pension schemes) of that Part.”

**Commencement Information**

**I2** S. 283 in force at 1.7.2005 by S.I. 2005/1720, art. 2(9)

**284 Restrictions on commutation and age at which benefits may be received**

(1) For section 21(1) of the Pension Schemes Act 1993 (commutation of guaranteed minimum pensions) substitute—

“(1) A scheme may, in such circumstances and subject to such restrictions and conditions as may be prescribed, provide for the payment of a lump sum instead of a pension required to be provided by the scheme in accordance with section 13 or 17.”

(2) In section 17 of that Act (minimum pensions for widows and widowers), at the end insert—

“(8) Where—

(a) a lump sum is paid to an earner under provisions included in a scheme by virtue of section 21(1), and

(b) those provisions are of a prescribed description,

the earner shall be treated for the purposes of this section as having any guaranteed minimum under section 14 that he would have had but for that payment.”

(3) In section 28 of that Act (ways of giving effect to protected rights), in subsection (4) (provision of a lump sum)—

(a) after “provision of a lump sum” insert “, subject to such restrictions as may be prescribed,”,

(b) omit paragraphs (a) and (b), and

(c) at the end insert “; and

(e) such other conditions as may be prescribed are satisfied.”

(4) Omit subsections (4A) and (4B) of that section.

(5) In subsections (3) and (5) of that section, for “, (4) or (4A)” substitute “ or (4) ”.

(6) In subsection (8) of that section, in the definition of “the starting date” omit “, which must not be earlier than the member’s 60th birthday,”.

(7) In section 29(1) of that Act (how a pension may comply with “the pension requirements” for the purposes of section 28)—

(a) in paragraph (a), for the words from “date” to “or on” substitute “ date that is not later than the member’s 65th birthday, or on ”, and

(b) in paragraph (aa)(ii) omit the words from “and is not” to “75th birthday,”.

**Commencement Information**

**I3** S. 284 in force at 1.7.2005 for specified purposes and 6.4.2006 in so far as not already in force by S.I. 2005/1720, art. 2(15), Sch. Pt. 2

**Status:**

Point in time view as at 01/07/2005.

**Changes to legislation:**

Pensions Act 2004, Cross Heading: Contracting out is up to date with all changes known to be in force on or before 06 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.