



Pensions Act 2007

2007 CHAPTER 22

PART 1

STATE PENSION

Up-rating of basic state pension and other benefits

7 Removal of link between lower earnings limit and basic pension

- (1) Section 5 of the SSCBA (earnings limits and thresholds for Class 1 contributions) is amended as follows.
- (2) In subsection (1) (limits and thresholds to be specified in regulations) for the words from “in the case of” to the end substitute “in the case of the upper earnings limit shall be made in accordance with subsection (3) below.”
- (3) Omit subsection (2) (link between lower earnings limit and weekly rate of basic pension).
- (4) Subsections (2) and (3) have effect in relation to the tax year following the designated tax year (see section 5(4)) and subsequent tax years.
- (5) In section 176(1) of the SSCBA (instruments subject to affirmative procedure), before paragraph (a) insert—
 - “(za) regulations under section 5 specifying the lower earnings limit for the tax year following the designated tax year (see section 5(4) of the Pensions Act 2007) or any subsequent tax year;”.