

# **FINANCE ACT 2012**

---

## **EXPLANATORY NOTES**

### **INTRODUCTION**

#### ***Section 48 Schedule 13: Employer Asset-Backed Pension Contributions Etc***

#### **Details of the Schedule**

#### **Part 1 – sections 196B to 196I and paragraphs 2-3**

#### **Treatment of advances that fall within the SFA rules – new section 196I**

51. New section 196I provides that any advance made before 22 February 2012 under an ABC arrangement that is a SFA and that gives rise to a loan within the meaning of Chapter 3 of FA 2004 is not prevented from meeting the definition of a scheme administration employer payment in S180 FA 2004 regardless of whether the advance also meets the definition of a loan for the purposes of FA 2004. This means that no unauthorised payment charge will arise under section 208 FA 2004 purely by virtue of the fact that the advance gives rise to a loan which is not capable of meeting the conditions of section 179 FA 2004.