



Taxation of Pensions Act 2014

CHAPTER 30

TAXATION OF PENSIONS ACT 2014

- 1 Provision for pension flexibility etc
- 2 Restriction and reduction of tax charges on certain lump sums
- 3 Death of pension scheme member
- 4 Citation, interpretation and consequential amendments

SCHEDULES

- SCHEDULE 1 — Pension flexibility etc
Part 1 — DRAWDOWN PENSIONS

Annual cap on pension drawdown abolished for flexi-access drawdown funds

- 1 In section 165(1) of FA 2004 (the pension rules) in...
- 2 In paragraph 8(1A) of Schedule 28 to FA 2004 (meaning...

Flexi-access drawdown funds

- 3 (1) In Schedule 28 to FA 2004 after paragraph 8...
- 4 (1) In Schedule 28 to FA 2004 after paragraph 22...

Further drawdown amendments

- 5 FA 2004 is amended as follows.
- 6 In section 167(1) (the pension death benefit rules) in pension...
- 7 In section 168(1), in the lump sum death benefit rule,...
- 8 In section 169(1D) (regulations about transfers of drawdown funds) after...
- 9 In section 172B(2) (rights of a “relevant member”)—

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- 10 In section 172B(7A) (section does not apply to certain increases...
- 11 In section 182(3) (value of arrangement for purposes of borrowing...
- 12 In section 182(5) (determining whether rights are uncrystallised) after “the...
- 13 In section 206(1) (payments which trigger special lump sum death...
- 14 In section 211(1) (value of crystallised rights for purposes of...
- 15 In section 212(2) (value of uncrystallised rights for purposes of...
- 16 In section 216(1) (benefit crystallisation events and amounts crystallised), in...
- 17 In section 273A(1) (regulations about certain payments by insurance companies)—...
- 18 In section 280(2) (index of defined expressions) at the appropriate...
- 19 In paragraph 7 of Schedule 28 (meaning of “income withdrawal”)...
- 20 In paragraph 21 of Schedule 28 (meaning of “dependants' income...
- 21 In paragraph 22(2) of Schedule 28 (meaning of “dependant's drawdown...
- 22 In paragraph 3(5)(a) and (8)(a) of Schedule 29 (deductions when...
- 23 In paragraph 17 of Schedule 29 (meaning of “drawdown pension...
- 24 In Schedule 29 after paragraph 17 insert— Flexi-access drawdown fund...
- 25 In paragraph 18 of Schedule 29 (meaning of “charity lump...
- 26 In paragraph 4(1) of Schedule 32 (supplementary provision about benefit...
- 27 In paragraph 17(2) of Schedule 32 (supplementary provision about benefit...
- 28 (1) In paragraph 20(4) of Schedule 36 (lifetime allowance: deemed...
- 29 In paragraph 29(3) of Schedule 36 (modifications of paragraph 3...

Related amendment in the Pension Benefits Regulations 2006

- 30 (1) In regulation 2(1) of the Pension Benefits (Insurance Company...

Related amendment in Part 9 of ITEPA 2003

- 31 In section 636A of ITEPA 2003 (taxation of pension lump...

Repeal and revocation of provisions relating to pre-6 April 2015 flexible drawdown

- 32 (1) In FA 2004 omit— (a) in section 165(1), in...

Related amendments in regulations

- 33 (1) The Pension Schemes (Application of UK Provisions to Relevant...
- 34 (1) Regulation 12 of the Registered Pension Schemes (Transfer of...
- 35 (1) The Registered Pension Schemes (Provision of Information) Regulations 2006...

Part 2 — ANNUITIES

Reduction of restrictions on new annuities

- 36 Schedule 28 to FA 2004 (registered pension schemes) is amended...
- 37 In paragraph 3 (definition of member's lifetime annuity) after sub-paragraph...
- 38 In paragraph 6 (definition of member's short-term annuity) after sub-paragraph...

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- 39 In paragraph 17 (definition of dependants' annuity) after sub-paragraph (1)...
- 40 In paragraph 20 (definition of dependants' short-term annuity) after sub-paragraph...

Further annuities amendments

- 41 In section 165(1) of FA 2004 (the pension rules) in...
- 42 Schedule 28 to FA 2004 (registered pension schemes) is further...
- 43 In paragraph 3(1) (definition of member's lifetime annuity) after paragraph...
- 44 (1) In paragraph 3(2C) (regulations for cases where lifetime annuity...
- 45 In paragraph 6(1) (definition of member's short-term annuity) after paragraph...
- 46 (1) In paragraph 6(1C) (regulations for cases where short-term annuity...
- 47 In paragraph 17(1) (definition of dependants' annuity) for paragraph (za)...
- 48 In paragraph 17(1A) for “sub-paragraph (1)(za)” substitute “ sub-paragraphs (1)(za)...
- 49 (1) In paragraph 17(4) (regulations for cases where dependants' annuity...
- 50 In paragraph 20(1) (definition of dependants' short-term annuity) after paragraph...
- 51 (1) In paragraph 20(1C) (regulations for cases where dependants' short-term...

Consequential amendment

- 52 In Schedule 16 to FA 2011 (benefits under pension schemes)...
Part 3 — PENSION PAYMENTS OUT OF UNCRYSTALLISED FUNDS

Definitions etc

- 53 Part 4 of FA 2004 is amended as follows.
- 54 In section 166(1) (lump sums which may be paid by...
- 55 In section 166(2) (when a person becomes entitled to a...
- 56 In section 280(2) (index of defined expressions) after the entry...
- 57 In Schedule 29 (supplementary provision about authorised lump sums) after...
- 58 In paragraph 12(2)(b) of Schedule 29 (conditions for treating the...
- 59 In paragraph 12(4) of Schedule 29 (exceptions to treating the...
- 60 In paragraph 12(5) of Schedule 29 (when an excess can...
- 61 In paragraph 15 of Schedule 32 (benefit crystallisation event 6:...

Related amendments in Part 9 of ITEPA 2003

- 62 (1) Section 636A of ITEPA 2003 (taxation of pension lump...
Part 4 — ANNUAL ALLOWANCES

Basic structure of the annual allowance charge

- 63 (1) Section 227 of FA 2004 (pensions under registered pension...
- 64 (1) In FA 2004 after section 227 insert— The chargeable...

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Annual allowance charge where rights have been flexibly accessed

- 65 (1) In FA 2004 before section 228 insert— The alternative...

Further amendments

- 66 (1) Omit section 227A of FA 2004 (annual allowance charge:...
- 67 (1) In section 228A of FA 2004 (carry forward of...
- 68 In section 237B of FA 2004 (scheme administrator's co-liability for...
- 69 (1) In article 25C of the Taxation of Pension Schemes...

Part 5 — MISCELLANEOUS AMENDMENTS

Pension commencement lump sums

- 70 (1) In paragraph 3A(3) of Schedule 29 to FA 2004...

Trivial commutation lump sums and small pot lump sums

- 71 (1) In paragraph 7(1) of Schedule 29 to FA 2004...
- 72 (1) In article 23C(4) of the Taxation of Pension Schemes...
- 73 (1) The Registered Pension Schemes (Authorised Payments) Regulations 2009 (S.I....

Trivial commutation lump sum death benefits

- 74 (1) Paragraph 20 of Schedule 29 to FA 2004 (trivial...

Winding-up lump sum death benefit

- 75 (1) In Schedule 29 to FA 2004 (authorised lump sums)...

Early lifetime annuities

- 76 (1) In paragraph 7 of Schedule 32 to FA 2004...

Individuals who on 5 April 2006 had actual right to payment of pensions

- 77 (1) In paragraph 20(4)(a) and (b) of Schedule 36 to...

Transfers between schemes of funds held in respect of individual who has protected pension age

- 78 (1) In Schedule 36 to FA 2004 after paragraph 23...

Power to make certain payments

- 79 In FA 2004 after section 273A insert— Power of trustees...

Temporary non-residence

- 80 ITEPA 2003 is amended as follows.
- 81 (1) Section 579CA as substituted by paragraph 117 of Schedule...
- 82 (1) The version of section 579CA which has effect if...
- 83 (1) Section 576A as substituted by paragraph 116 of Schedule...
- 84 (1) The version of section 576A which has effect if...

Regulations about the effects of certain authorised payments

- 85 In section 164 of FA 2004 (authorised payments) after subsection...

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Part 6 — PROVISION OF INFORMATION

- 86 The Registered Pension Schemes (Provision of Information) Regulations 2006 (S.I....
- 87 After regulation 14 insert— Information provided to member by scheme...
- 88 (1) Regulation 14A (annual allowance: annual provision of information by...
- 89 In regulation 14B(1) (information mentioned in regulation 14A to be...
- 90 (1) The table in regulation 3(1) (provision of event reports...
- 91 The amendments made by this Part of the Schedule—

Part 7 — OVERSEAS PENSIONS

- 92 In section 169(4) of FA 2004 (regulations about the provision...
- 93 (1) Section 251 of FA 2004 (regulations about the provision...
- 94 In paragraph 5 of Schedule 33 to FA 2004 (conditions...
- 95 (1) Schedule 34 to FA 2004 (application of certain tax...
- 96 (1) The Pension Schemes (Application of UK Provisions to Relevant...
- 97 (1) In this paragraph— “the 2013 Regulations” means the Registered...

SCHEDULE 2 — Death of pension scheme member

Part 1 — DEATH BENEFITS: NOMINEES AND SUCCESSORS

Drawdown benefits for nominees and successors of deceased scheme members

- 1 FA 2004 is amended as follows.
- 2 (1) Section 167 (the pension death benefit rules) is amended...
- 3 (1) In Part 2 of Schedule 28 (interpretation of the...

Nominees and successors: further drawdown amendments

- 4 In section 169(1D) (regulations about transfers of drawdown funds) after...
- 5 In section 172(1)(a) (assignment of rights or benefits) after “dependant”...
- 6 In section 172A(1)(a) (surrender of rights or benefits) after “dependant”...
- 7 In section 172A(5) (exceptions to provisions on surrender: entitlement to...
- 8 In section 172A(5A) (further provision on surrender exceptions)—
- 9 In section 172A after subsection (5A) insert—
- 10 In section 172A(7) (exceptions to provisions on surrender: prospective entitlements)—...
- 11 In section 172B(2) (rights of a “relevant member”)—
- 12 In section 172B(7A) (section does not apply to certain increases...
- 13 In section 182(3) (value of arrangement for purposes of borrowing...
- 14 In section 280(2) (index of defined expressions) at the appropriate...

Nomination of charities by nominees and successors of deceased scheme members

- 15 (1) Paragraph 18 of Schedule 29 (charity lump sum death...

Related amendments in regulations

- 16 (1) Regulation 12 of the Registered Pension Schemes (Transfer of...
Part 2 — LUMP SUM DEATH BENEFITS

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Special lump sum death benefits charge

- 17 (1) Section 206 of FA 2004 (special lump sum death...
- 18 In section 280(2) of FA 2004 (index of defined expressions)...

Uncrystallised funds lump sum death benefit

- 19 (1) In paragraph 15 of Schedule 29 to FA 2004...

Commencement

- 20 The amendments made by paragraphs 17 and 19 apply to...
 - Part 3 — UNCRYSTALLISED RIGHTS AT MEMBER'S DEATH
- 21 In section 216(1) of FA 2004 (benefit crystallisation events and...
- 22 (1) Section 217 of FA 2004 (persons liable to lifetime...
- 23 (1) Section 219 of FA 2004 (availability of individual's lifetime...
- 24 (1) Schedule 32 to FA 2004 (supplementary provisions about benefit...
 - Part 4 — INCOME TAX ON BENEFICIARIES' INCOME WITHDRAWAL
- 25 (1) ITEPA 2003 is amended as follows.

Changes to legislation:

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