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STATUTORY INSTRUMENTS

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**1987 No. 1765**

**INCOME TAX**

**The Personal Pension Schemes  
(Provisional Approval) Regulations 1987**

<i>Made</i>	- - - -	<i>8th October 1987</i>
<i>Laid before the House of Commons</i>	- - - -	<i>8th October 1987</i>
<i>Coming into force</i>	- -	<i>29th October 1987</i>

The Commissioners of Inland Revenue, in exercise of the powers conferred on them by section 56(2) of the Finance (No. 2) Act 1987<sup>(1)</sup>, hereby make the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Personal Pension Schemes (Provisional Approval) Regulations 1987 and shall come into force on 29th October 1987.

**Interpretation**

2. In these Regulations unless the context otherwise requires—

“Act” means the Finance (No. 2) Act 1987;

“the Board” means the Commissioners of Inland Revenue;

“scheme” means a personal pension scheme.

**Provisional approval: conditions**

3. Where an application to the Board for their approval of a scheme under section 19 of the Act is made before 1st August 1989 and is accompanied by—

(a) written undertakings by the scheme administrator that—

(i) to the best of his belief the application for approval, and the documents which accompany it, are in such form and contain such information that the scheme may be approved,

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(1) 1987 c. 51.

- (ii) the scheme does not make provision for any benefit other than those mentioned in sections 21 to 26 of the Act and that no member of the scheme will have a beneficial interest in the assets of the scheme, and
- (iii) the scheme will be administered in accordance with the provisions contained in Chapter II of Part I of the Act and any regulations made thereunder; and
- (b) a written undertaking by the person who has power to amend the rules of the scheme that he will comply with a notice given by the Board under regulation 4;

the Board may grant approval of the scheme provisionally notwithstanding that they have not satisfied themselves that the scheme complies with sections 20 to 30 of the Act.

#### **Amendment of rules**

4. If on examination of the application for approval, and the documents which accompany it, the Board are not satisfied that the scheme complies with the requirements of sections 20 to 30 of the Act the Board shall give written notice to the person who has power to amend the rules of the scheme requiring him within a period of 6 months from the date of the notice (or such further time as the Board may allow) to amend the rules of the scheme so that it complies with the requirements of those sections of the Act with effect as from the date of approval of the scheme.

#### **Withdrawal of approval**

5.—(1) If at the expiration of the period specified in regulation 4 (or at the end of such further time as the Board may have allowed) the Board are not satisfied that a scheme complies with sections 20 to 30 of the Act, the Board shall give written notice to the applicant for approval of the withdrawal of approval as from the date of approval of the scheme.

- (2) A notice under paragraph (1) shall state the grounds on which approval is withdrawn.

#### **Appeals**

6.—(1) Where the Board withdraw an approval by notice under regulation 5(1) the applicant for approval may appeal to the Special Commissioners against the withdrawal.

(2) An appeal under this regulation shall be made by written notice stating the grounds for the appeal and given to the Board before the end of the period of 30 days beginning with the day on which notice of withdrawal was given to the appellant.

(3) The bringing of an appeal under this regulation shall not affect the validity of the withdrawal pending the determination of the proceedings.

(4) Part V of the Taxes Management Act(2) (appeals and other proceedings) shall apply to an appeal under this regulation.

*A. J. G. Isaac*

*D. B. Rogers*

8th October 1987

Two of the Commissioners of Inland Revenue

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(2) Relevant amendments were made to section 45 by the Finance Act 1984 (c. 43), section 127 and Schedule 22, paragraph 2, and by section 128(6), and Schedule 23, Part XIII; to section 48 by the Finance (No. 2) Act 1975 (c. 45), section 45(4); to section 50 by the Finance (No. 2) Act 1975, section 67(2); to section 53 by the Finance Act 1972 (c. 41), section 129(1); to section 56 by the Finance (No. 2) Act 1975, section 45(3). Section 56A was inserted by the Finance Act 1984 (c. 43), section 127 and Schedule 22, paragraph 7; and section 57B by the Finance Act 1984, section 127 and Schedule 22, paragraph 4.

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

Section 19 of the Finance (No. 2) Act 1987 gives the Commissioners of Inland Revenue power on application to them to approve personal pension schemes established under Chapter II of Part I of that Act, and section 56(2) provides that the Commissioners may by regulations make provisions for the provisional approval of such schemes where applications are made before 1st August 1989 notwithstanding that the Commissioners have not satisfied themselves that the schemes comply with sections 20 to 30 of the Act.

Regulation 1 provides for commencement and citation, and regulation 2 for interpretation.

Regulation 3 provides conditions subject to which provisional approval may be granted, and regulation 4 provides that in the circumstances there mentioned the Commissioners shall by notice, given to the person who has power to amend the rules of the scheme, require the rules of a scheme be amended so that it complies with sections 20 to 30 of the Act.

Regulation 5 provides that if at the expiration of the period specified in regulation 4 the Commissioners are not satisfied that a scheme complies with sections 20 to 30 of the Act, the Commissioners shall give notice to the applicant for approval of withdrawal of approval of the scheme as from the date of approval thereof; and regulation 6 provides a right of appeal against a notice under regulation 5.