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STATUTORY INSTRUMENTS

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**2000 No. 1403**

**The Stakeholder Pension Schemes Regulations 2000**

**PART I**  
**GENERAL**

**Citation, commencement and interpretation**

- 1.—(1) These Regulations may be cited as the Stakeholder Pension Schemes Regulations 2000.
- (2) Parts I to III and V of these Regulations shall come into force on 1st October 2000 and Part IV shall come into force on 8th October 2001.
- (3) In these Regulations—
- “the Act” means the Welfare Reform and Pensions Act 1999<sup>(1)</sup>;
  - “the 1993 Act” means the Pension Schemes Act 1993;
  - “the 1995 Act” means the Pensions Act 1995;
  - “beneficiary”, in relation to a stakeholder pension scheme, means any person who has rights under the scheme which have arisen as a result of the death of a member of the scheme;
  - “the Income and Corporation Taxes Act” means the Income and Corporation Taxes Act 1988<sup>(2)</sup>;
  - “insurance company” means a company which is authorised under sections 3 or 4 of the Insurance Companies Act 1982<sup>(3)</sup>;
  - “investment trust” means a company which is approved for the purposes of section 842 of the Income and Corporation Taxes Act<sup>(4)</sup>;
  - “minimum contributions” means amounts paid by the Inland Revenue in accordance with section 43 of the 1993 Act (payment of minimum contributions to personal pension schemes)<sup>(5)</sup>;
  - “minimum payments” means payments made to an occupational pension scheme in respect of a person’s employment by virtue of which (subject to there being in force a contracting-out certificate issued by the Inland Revenue in accordance with Chapter I of Part III of the 1993 Act) that employment is contracted-out employment by reference to the scheme

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(1) 1999 c. 30.

(2) 1988 c. 1.

(3) 1982 c. 50.

(4) Section 842 was amended by section 117(1) and (4) of the Finance Act 1998 (c. 39), section 55 of the Finance Act 1990 (c. 29), paragraphs 14(1) and 55 of Schedule 10 to the Taxation of Chargeable Gains Act 1992 (c. 12), paragraph 8 of Schedule 17 to the Finance Act 1994 (c. 9), paragraphs 2 and 3 of Schedule 30 to the Finance Act 1996 (c. 8) and paragraph 7 of Schedule 38 to that Act.

(5) Section 43(1) was amended by paragraph 42 of Schedule 5 to the Pensions Act 1995 and paragraph 47(2) of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2). Section 43(4) to (6) was amended by paragraph 47(2) of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999.

under section 8(1) of the 1993 Act (meaning of “contracted-out employment” and “minimum payment”)(6);

“pension arrangement” means—

- (a) an annuity contract;
- (b) an insurance policy; or
- (c) a scheme or arrangement which is administered wholly or primarily outside the United Kingdom,

which has effect, or is capable of having effect, so as to provide benefits on termination of employment or on death or retirement, to or in respect of earners;

“property” includes land;

“qualifying scheme” shall, in respect of an employer, include any stakeholder pension scheme which has at any time been designated by the employer under section 3(2);

“reporting accountant” has the meaning given to it by regulation 11(3);

“securities” means investments falling within paragraphs 1 to 5 of Schedule 1 to the Financial Services Act 1986 (investments and investment business)(7) but does not include shares in an investment trust;

“tax relief” means amounts which may be deducted from contributions, retained by members and recovered from the Inland Revenue by a scheme administrator under section 639 of the Income and Corporation Taxes Act;

“transfer payment” means a payment in respect of a person’s accrued rights under a pension scheme or pension arrangement made with a view to acquiring rights under another pension scheme or pension arrangement for that person; and

“with-profits fund” means a fund, maintained by an insurance company in respect of a particular part of its long-term business for which—

- (a) separate accounting records are maintained by the insurance company in respect of all income and expenditure relating to that part of its business; and
- (b) the benefits payable in respect of policies allocated to that fund are determined partly by reference to a discretion exercisable by any person.

(4) In these Regulations references to notice in writing include using electronic communications for sending a notice to an address notified by the member for that purpose.

(5) Sections 249 and 435 of the Insolvency Act 1986 (connected and associated persons)(8) and section 74 of the Bankruptcy (Scotland) Act 1985 (associated persons), apply for the purposes of regulations 4(3) and 11(4) as they apply for the purposes of those Acts respectively.

(6) For the purposes of these Regulations and section 1(8) and (9) (which provide that stakeholder pension schemes must have tax-exemption or tax-approval and must not refuse to accept transfer payments except in so far as necessary to ensure that the scheme has such exemption or approval) “tax-exemption” and “tax-approval” mean tax-exemption and tax-approval under Chapter IV of Part XIV of the Income and Corporation Taxes Act.

(7) In these Regulations, unless the context otherwise requires, references to a section are to a section of the Act.

(6) Section 8(1) was amended by section 136(2) of the Pensions Act 1995 and paragraph 21 of Schedule 5 to that Act and by paragraph 33 of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999.

(7) 1986 c. 60. Investments falling within paragraphs 1 to 5 of Schedule 1 to the Financial Services Act 1986 comprise shares and stock in the share capital of a company, debentures and other instruments creating or acknowledging indebtedness, government and public securities, instruments entitling the holder to subscribe for any of the above, and certificates representing securities. These are further defined in those paragraphs.

(8) 1986 c. 45. Section 249 was amended by section 90, Schedule 15 to the Building Societies Act 1986 (c. 53) and section 23, Schedule 102 to the Friendly Societies Act 1992 (c. 40).

