
STATUTORY INSTRUMENTS

2006 No. 569

**The Registered Pension Schemes
(Splitting of Schemes) Regulations 2006**

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Registered Pension Schemes (Splitting of Schemes) Regulations 2006 and shall come into force on 6th April 2006.

(2) In these Regulations—

“group of employers” means two or more employers who are formally or informally linked to each other by reasons of common management, shareholding, staff or close business interests;

“HMRC” means the Commissioners for Her Majesty’s Revenue and Customs;

“split scheme” means a registered pension scheme that is being treated, in accordance with regulation 2, as having been split into two or more sub-schemes;

“sub-scheme” means a scheme which forms part of a split scheme and which is being treated as a separate pension scheme under and for the purposes set out in these regulations;

“split scheme administrator” means a scheme administrator of a split scheme;

“sub-scheme administrator” means the scheme administrator of a sub-scheme appointed in accordance with the rules of the split scheme to be responsible for the discharge of the functions conferred or imposed on the sub-scheme administrator by or under these Regulations;

“section” without more, means a section of the Finance Act 2004;

“schedule” without more, means a schedule to the Finance Act 2004.

Description of schemes to be split

2.—(1) The following registered pension schemes shall be treated as split schemes for the purposes of these Regulations—

- (a) the registered pension schemes listed in Schedule 1;
- (b) a registered pension scheme which meets the conditions in paragraph (5);
- (c) a successor scheme to any of the above schemes.

(2) A successor scheme is a registered pension scheme established to take over some or all of the rights and obligations of a split scheme.

(3) The scheme administrator of a successor scheme shall notify HMRC of any sub-schemes in respect of which he is assuming responsibility immediately following registration of the successor scheme.

The notification shall—

- (a) be in a form specified by HMRC, and;
- (b) contain any information reasonably required by HMRC.

(4) Schedule 2 lists the schemes which, at the coming into force of these Regulations, are to be treated as sub-schemes of the split schemes referred to in sub-paragraph (1).

(5) The conditions referred to in sub-paragraph (1)(b) are as follows.

Condition A

The pension scheme falls within Paragraph 1(1)(a) or (c) of Schedule 36 to the Finance Act 2004.

Condition B

The pension scheme provides benefits to or for the benefit of the employees of two or more employers.

Condition C

The rules of the pension scheme as at 28th February 2006 provided for the establishment of separate schemes for each of the participating employers or group of employers and for the administration of such schemes to be carried out by separate scheme administrators.

(6) A successor sub-scheme is a scheme established to take over some or all of the rights and obligations of a sub-scheme.

(7) The scheme administrator of a successor sub-scheme shall notify HMRC immediately following his assumption of liability of the successor sub-scheme.

The notification shall—

- (a) be in a form specified by HMRC, and
- (b) contain any information reasonably required, including the name and address of the scheme administrator.

Responsibilities and liabilities of sub-scheme administrators

3.—(1) The sub-scheme administrator of a sub-scheme shall assume the liabilities and responsibilities set out in Schedule 3 to these Regulations in relation to that scheme.

(2) In the provisions referred to in that Schedule any reference to the scheme administrator shall be read as a reference to the sub-scheme administrator.

(3) The split scheme administrator shall cease to have responsibility or liability in relation to the matters referred to in paragraph (1) in respect of the sub-scheme.

(4) The provisions of section 270(2) and (3) (meaning of “scheme administrator”) apply to the sub-scheme administrator and the references to the scheme administrator in those subsections shall be read as references to the sub-scheme administrator).

(5) Section 272 (trustees etc. liable as scheme administrator) applies to sub-scheme administrators with the following modifications—

- (a) in subsection (1)“ for “registered pension scheme”; substitute “sub-scheme”;
- (b) in subsections (1)(a) to (c), (2)(a) and (b) for “scheme administrator” (in each place) substitute “sub-scheme administrator”;
- (c) in subsections (1)(a) to (c) and (2), (3) and (5) for “pension scheme” (in each place) substitute “sub-scheme”;
- (d) in subsection (2)—
 - (i) in paragraph (a) after “by virtue of this Part” insert “as applied by regulation 3 of the Registered Pensions (Splitting of Schemes) Regulations 2006”; and
 - (ii) in paragraph (b) after “by or under this Part.” insert “as applied by the Registered Pensions (Splitting of Schemes) Regulations 2006”; and
- (e) in subsection (4) for “pension scheme” substitute “sub-scheme”.

(6) Section 273 (members liable as scheme administrator) applies to members of a sub-scheme with the following modifications—

- (a) in subsection (1) for “registered pension scheme” substitute “sub-scheme”;
- (b) in subsections (1)(a) and (b) for “pension scheme” substitute “sub-scheme”;
- (c) in subsection (1)(a) after “(trustees, etc.)” add “(as modified by regulation 3 of the Registered Pensions (Splitting of Schemes) Regulations 2006)”;
- (d) in subsection (1)(b) omit the words “or section 242 (de-registration charge)”;
- (e) in subsections (2) and (4) for “pension scheme” substitute “sub-scheme”;
- (f) in subsection (5)(a) for “the pension scheme” substitute “the split scheme”;
- (g) in subsections (5)(b) and (d) for “the pension scheme” substitute “the sub-scheme”;
- (h) in subsection (5)(c) after the words “that the pension scheme was” add “part of”;
- (i) in subsection (10) for “the pension scheme” substitute “the sub-scheme”.

(7) Section 274(2) (supplementary) applies to sub-scheme administrators with the following modifications—

- (a) for “scheme administrator” substitute “sub-scheme administrator”; and
- (b) for “registered pension scheme” substitute “sub-scheme”.

4.—(1) Section 209(5) (unauthorised payments surcharge) shall be modified as follows.

- (a) in paragraph (b) delete “and”;
- (b) in paragraph (c) after “the scheme administrator” add “and”;
- (c) after paragraph (c) add—
 - “(d) the sub-scheme administrator.”

5.—(1) Paragraph 11 of Schedule 31 (insertion of chapter 15A into ITEPA 2003) shall be modified as follows.

(2) After subsection (4) of the inserted section 636A insert—

“(4A) In the case of a registered pension scheme which is a split scheme for the purposes of the Registered Pensions Schemes (Splitting of Schemes) Regulations 2006, subsections (3) and (4) shall have effect as if the references to the scheme administrator were to the sub-scheme administrator (within the meaning of those Regulations).”

(3) Paragraph 1 of Schedule 35 (consequential amendments to the Taxes Management Act 1970) shall be modified as follows.

- (a) in the substitution to section 9(1A) of the Taxes Management Act 1970, in sub-paragraph (a) delete “or”; and
- (b) after sub-paragraph (a) add—
 - “(ab) is chargeable on the sub-scheme administrator of a sub-scheme under Part 4 of the Finance Act 2004 as modified by the Registered Pensions (Splitting of Schemes) Regulations 2006, or”

(4) Paragraph 16 of Schedule 35 (consequential amendments to section 349B(3) of ICTA) shall be modified as follows.

(5) After the substituted sub-paragraph (i) add—

- “(ia) the sub-scheme administrator of a sub-scheme which forms part of a split scheme pursuant to the Registered Pensions (Splitting of Schemes) Regulations 2006;”

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

(6) Paragraph 33 of Schedule 35 (consequential amendments to section 824(9) of ICTA) shall be modified as follows.

(7) After the insertion of the words “scheme administrators of registered pension schemes” add—
“sub-scheme administrators of sub-schemes which form part of a split scheme pursuant to the Registered Pensions (Splitting of Schemes) Regulations 2006”.

9th March 2006

David Varney
Paul Gray
Two of the Commissioners for Her Majesty's
Revenue and Customs