

**2006 No. 614**

**INCOME TAX**

**The Registered Pension Schemes (Authorised Payments —  
Arrears of Pension) Regulations 2006**

|   |                        |
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| <i>Made</i> - - - -                     | <i>9th March 2006</i>  |
| <i>Laid before the House of Commons</i> | <i>10th March 2006</i> |
| <i>Coming into force</i> - -            | <i>6th April 2006</i>  |

The Commissioners for Her Majesty's Revenue and Customs make the following Regulations in exercise of the powers conferred by section 164(f) of the Finance Act 2004(a) and now exercisable by them(b).

**Citation and commencement**

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

**Payment of arrears of pension to be an authorised payment**

2.—(1) Where a registered pension scheme pays to a member of the scheme an amount representing accrued arrears of pension, paragraph (2) applies.

(2) Paragraph (3) applies to so much of the payment mentioned in paragraph (1) as—

- (a) does not exceed the amount accrued during the period—
  - (i) ending with the date on which he became entitled to the pension (“the actual start date”); and
  - (ii) beginning with the earliest date from which the member could, at the actual start date, have required the scheme administrator, in accordance with the rules of the scheme, to make a payment of arrears of pension; and
- (b) constitutes taxable pension income within section 579B of ITEPA 2003(c).

(3) The amount to which this paragraph applies is a payment of a prescribed description for the purposes of section 164(f).

(4) In this regulation—

“entitled” has the meaning given in section 165(3)(d); and

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(a) 2004 c. 12.

(b) The functions of the Commissioners of Inland Revenue were transferred to the Commissioners for Her Majesty's Revenue and Customs by section 5(2) of the Commissioners for Revenue and Customs Act 2005 (c. 11). Section 50 of that Act provides that, in so far as it is appropriate in consequence of section 5, a reference, however expressed, to the Commissioners of Inland Revenue is to be read as a reference to the Commissioners for Her Majesty's Revenue and Customs.

(c) 20003 c. 1. Section 579B was inserted by paragraph 6 of Schedule 31 to the Finance Act 2004.

(d) Section 165(3) was amended by paragraph 7 of Schedule 10 to the Finance Act 2005 (c. 7).

a reference to a numbered section, without more, is a reference to the section of the Finance Act 2004 bearing that number.

*David Varney  
Paul Gray*

9th March 2006

Two of the Commissioners for Her Majesty's Revenue and Customs

### **EXPLANATORY NOTE**

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

These Regulations prescribe an additional description of authorised payment which may be made by a registered pension scheme.

Regulation 1 provides for the citation and commencement of these Regulations.

Regulation 2 prescribes a payment of arrears of pension which have accrued, to which the member is entitled at the time when the pension begins to be paid, and which is taxable pension income within the meaning of section 579B of ITEPA 2003, as an additional description of authorised payment for the purposes of Part 4 of the Finance Act 2004.

These Regulations do not impose new costs on business.

**£3.00**

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