
STATUTORY INSTRUMENTS

2007 No. 1398

The Transfer of State Pensions and Benefits Regulations 2007

Effect of making a cash equivalent transfer payment

8.—(1) This regulation applies where the cash equivalent of the transferor's transferable rights has been transferred into [^{F1}the EU scheme].

(2) Section 22(4) of [^{F2}the 1992 Acts]^{M1} (earnings factors) shall be read as if it included the following—

“or

(c) in a case where the cash equivalent of a person's transferable rights has been transferred in accordance with the Transfer of State Pensions and Benefits Regulations 2007, for the tax year in which that payment was made and any earlier tax year—

(i) in the case of 1987-88 or any subsequent tax year, from so much of his earnings as did not exceed the upper earnings limit and upon which primary Class 1 contributions have been paid, treated as paid or credited and from Class 2 and Class 3 contributions; and

(ii) in the case of any earlier tax year, from any of his Class 1, 2 or 3 contributions.”.

(3) Nothing in [^{F2}the 1992 Acts]^{F3}, Part 1 [^{F4}or Part 5] of the Pensions Act 2014, Part 1 [^{F4}or Part 5] of the Pensions Act (Northern Ireland) 2015] or in regulations made under [^{F5}those Acts] shall operate—

(a) to entitle the transferor to payment of a relevant benefit from the day on which the transfer takes place;

(b) to credit a transferor with any earnings or contributions which accrue from his transferable rights; or

(c) to enable the transferor to reduce the number of years in his working life for the purposes of satisfying the second condition in paragraph 5 of Schedule 3 to [^{F2}the 1992 Acts]^{M2} by reference to those rights.

(4) Where the transferor returns to work in the United Kingdom, he shall not be entitled to credits under—

(a) regulation 4 of the Social Security (Credits) Regulations 1975 ^{M3} (starting credits); or

(b) regulation 4 of the Social Security (Credits) Regulations (Northern Ireland) 1975 ^{M4} (starting credits).

(5) Where, at the date on which the cash equivalent of his transferable rights was transferred, a transferor's former spouse or civil partner is treating the contributions of the transferor as if they were his own contributions in accordance with section 48 of [^{F2}the 1992 Acts] (use of former spouse's contributions), that transfer shall not have the effect of causing the former spouse's or civil partner's Category A pension to be re-calculated.

Textual Amendments

- F1** Words in regs. 6-9 substituted (1.11.2010) by [The Transfer of State Pensions and Benefits \(Amendment\) Regulations 2010 \(S.I. 2010/1825\)](#), regs. 1, **5**
- F2** Words in reg. 8 substituted (1.11.2010) by [The Transfer of State Pensions and Benefits \(Amendment\) Regulations 2010 \(S.I. 2010/1825\)](#), regs. 1, **6**
- F3** Words in reg. 8(3) inserted (6.4.2016 coming into force in accordance with art. 1(2)(b)) by [The Pensions Act 2014 \(Consequential, Supplementary and Incidental Amendments\) Order 2015 \(S.I. 2015/1985\)](#), arts. 1(2)(b), **30(4)(a)**
- F4** Words in [reg. 8\(3\)](#) inserted (6.4.2017 coming into force in accordance with art. 1-3) by [The Pensions Act 2014 \(Consequential, Supplementary and Incidental Amendments\) Order 2017 \(S.I. 2017/422\)](#), arts. 1(2), **28(3)**
- F5** Words in reg. 8(3) substituted (6.4.2016 coming into force in accordance with art. 1(2)(b)) by [The Pensions Act 2014 \(Consequential, Supplementary and Incidental Amendments\) Order 2015 \(S.I. 2015/1985\)](#), arts. 1(2)(b), **30(4)(b)**

Marginal Citations

- M1** Section 22(4) is amended by the [Social Security Act 1998 \(c.14\)](#), [Schedule 7](#), paragraph 61.
- M2** Paragraph 5 of Schedule 3 is amended by the [Pensions Act 1995 \(c.26\)](#), [section 129](#).
- M3** [S.I.1975/556](#); the relevant amending instruments are [S.I.1988/1545](#) and 2000/1483.
- M4** [S.R.1975 No.113](#); the relevant amending regulations are [S.R.1988 No.326](#) and [2001 No.108](#).

Changes to legislation:

There are currently no known outstanding effects for the The Transfer of State Pensions and Benefits Regulations 2007, Section 8.