
STATUTORY INSTRUMENTS

2008 No. 2990

The Taxation of Pension Schemes (Transitional Provisions) (Amendment) Order 2008

Amendment of Taxation of Pension Schemes (Transitional Provisions) Order 2006

3. After article 5 insert—

“Reduction in rate of pension

5A.—(1) Part 4 of the 2004 Act⁽¹⁾ shall be modified as set out in paragraph (2) in a case where the following conditions are satisfied—

- (a) the pension came into payment before 3rd July 2007;
- (b) the pension is paid to a person who was a member of the pension scheme on 5th April 2006;
- (c) on 5th April 2006 the rules of the pension scheme included provision that there shall or may be a reduction in the rate of the pension (“the rate reduction provisions”);
- (d) the pension is paid at a rate required or permitted by the rate reduction provisions;
- (e) the rate reduction provisions would not have prejudiced the approval of the pension scheme by the Inland Revenue or by Her Majesty’s Revenue and Customs;
- (f) the rate reduction provisions did not change in any material particular between 5th April 2006 and the date at which the pension became payable at the reduced rate.

(2) In paragraph 2(4) of Schedule 28 to the 2004 Act⁽²⁾ insert after paragraph (d)—

“(da) a reduction in respect of which an order made under section 283(2) and (3C) makes transitional provision.”.

(3) For the purposes of this article, whether something would have prejudiced the approval of the pension scheme by the Inland Revenue or by Her Majesty’s Revenue and Customs is to be determined—

- (a) in the case of an occupational pension scheme approved for the purposes of Chapter 1 of Part 14 of ICTA⁽³⁾, in accordance with the publication IR 12(2001) (known as the Occupational Pension Schemes Practice Notes) published by the former Inland Revenue Pension Schemes Office on 23rd March 2001, and
- (b) in the case of a personal pension scheme approved under Chapter 4 of Part 14 of ICTA, in accordance with the publication IR 76(2000) published by the former Inland Revenue Pension Schemes Office on 20th November 2000,

as each of those publications stood at 5th April 2006.”.

(1) Article 1(2) of [S.I. 2006/572](#) defines “the 2004 Act” as meaning the Finance Act 2004.

(2) Paragraphs (d) to (h) of paragraph 2(4) were inserted by paragraph 11(6) of Schedule 10 to the Finance Act 2005 (c. 7).

(3) Section 280(1) of the Finance Act 2004 defines “ICTA” as meaning the Income and Corporation Taxes Act 1988 (c. 1).

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