
STATUTORY INSTRUMENTS

2023 No. 113

The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) Regulations 2023

PART 2

Modifications of Part 4 of the Finance Act 2004

CHAPTER 2

Annual allowance

Chapter 1 schemes: administrative provisions relating to scheme pays

11.—(1) Paragraphs (2) to (6) apply where—

- (a) an individual's pension scheme input amount in relation to a Chapter 1 new scheme for a tax year is (disregarding the effect of section 2(1) of PSPJOA 2022) determined by reference to the individual's remediable service rights under the scheme,
- (b) the individual has become liable for the annual allowance charge for the tax year (whether or not the liability has subsequently been discharged),
- (c) the scheme administrator of the Chapter 1 new scheme—
 - (i) has, as a result of the receipt of a scheme pays notice, at any time become jointly and severally liable for any or all of the annual allowance charge (whether or not the liability has subsequently been discharged), or
 - (ii) has, in response to a request from the individual, at any time agreed to pay an amount in respect of the annual allowance charge (whether or not the amount has subsequently been paid), and
- (d) as a result of section 2(1) of PSPJOA 2022, the remediable service is pensionable service under a Chapter 1 legacy scheme.

(2) The scheme administrator of the Chapter 1 new scheme must provide the following information to the scheme administrator of the Chapter 1 legacy scheme—

- (a) the name and pension scheme tax reference number of the Chapter 1 new scheme;
- (b) the name and national insurance number of the individual;
- (c) in a case in which the individual has given a scheme pays notice to the scheme administrator of the Chapter 1 new scheme in relation to the annual allowance charge—
 - (i) the tax year to which the notice relates;
 - (ii) the date on which the notice was received;
 - (iii) the amount of the annual allowance charge for which, on receipt of the notice, the scheme administrator of the Chapter 1 new scheme became jointly and severally liable;

- (iv) if any of that amount is attributable to the operation of voluntary arrangements under the Chapter 1 scheme, the amount so attributable;
 - (v) the period covered by the accounting-for-tax return on which the liability was shown or, if no accounting-for-tax return was made that showed the liability, a statement of that fact;
 - (vi) whether any amount has been paid in respect of the liability and, if so, the amount of the payment and the date on which it was paid;
- (d) in a case in which the individual has requested that the scheme administrator of the Chapter 1 new scheme pay an amount in respect of the annual allowance charge for the tax year—
- (i) the tax year to which the request relates;
 - (ii) the amount of the annual allowance charge which the scheme administrator has agreed to pay;
 - (iii) if any of that amount is attributable to the operation of voluntary arrangements under the Chapter 1 scheme, the amount so attributable;
 - (iv) the period covered by the accounting-for-tax return on which the amount agreed to be paid was shown or, if no accounting-for-tax return was made that showed the amount, a statement of that fact;
 - (v) whether any amount has been paid pursuant to the agreement and, if so, the amount of the payment and the date on which it was paid.

(3) Where only part of the pension scheme input amount in relation to the scheme for the tax year is determined by reference to the individual's remediable service rights under the scheme, paragraphs (2)(c)(iii) and (d)(ii) apply only to so much of the annual allowance charge for the tax year as is referable to those rights.

(4) For the purposes of paragraph (3) an annual allowance charge is, so far as possible, to be regarded as referable to rights of the individual under the scheme that are not remediable service rights.

(5) If the amount paid by the scheme administrator of the Chapter 1 legacy scheme in respect of the individual's liability for the annual allowance charge for the tax year (after taking into account regulation 10(5)) exceeds the amount of that liability, the scheme administrator of the Chapter 1 legacy scheme may reclaim the excess from HMRC only on the making of an application.

[^{F1}(5A) An application under paragraph (5) must be made on or before 1st April 2027.]

- (6) An application under paragraph (5)—
- (a) must be accompanied by—
 - (i) a declaration that the application is made by the scheme administrator;
 - (ii) a declaration as to the accuracy of the information contained in the application;
 - (iii) a declaration that the applicant understands the consequences of providing false information; and
 - (b) must contain the following information—
 - (i) the pension scheme name and tax reference number;
 - (ii) the scheme administrator identity reference provided by HMRC;
 - (iii) the name and national insurance number of the scheme member;
 - (iv) the amount of the charge paid, the date on which, and the charge reference number under which, it was paid;
 - (v) the pension scheme tax reference number of the scheme under which the scheme administrator reported and paid the amount of the charge to HMRC;

- (vi) the tax year and quarter covered by the accounting-for-tax return on which the charge was reported to HMRC;
 - (vii) the revised amount of the annual allowance charge;
 - (viii) the amount of tax being reclaimed;
 - (ix) if a repayment is claimed, the amount and the account details to which repayment is to be made;
 - (x) if a reallocation is claimed, that amount and the charge reference to which it is to be allocated.
- (7) Paragraph (8) applies where—
- (a) an individual’s pension scheme input amount in relation to a Chapter 1 new scheme for a tax year is (disregarding the effect of section 2(1) of PSPJOA 2022) determined by reference to the individual’s rights in respect of the individual’s remediable service,
 - (b) as a result of section 2(1) of PSPJOA 2022, the remediable service is pensionable service under a Chapter 1 legacy scheme,
 - (c) the individual has an outstanding liability for the annual allowance charge for the tax year, and
 - (d) the individual gives a scheme pays notice to the scheme administrator of the Chapter 1 legacy scheme in respect of that outstanding liability (or any part of it).
- (8) The scheme administrator of the Chapter 1 legacy scheme must include the following information on the accounting-for-tax return for the period in which the scheme pays notice is received—
- (a) whether a payment (“the previous payment”) in respect of the annual allowance charge for the tax year has already been reported by the scheme administrator, or by the scheme administrator of the Chapter 1 new scheme, and
 - (b) if so—
 - (i) the amount of the previous payment, the tax year to which it relates, and the date on which it was made;
 - (ii) the period covered by the accounting-for-tax return that included particulars of the previous payment;
 - (iii) whether the previous payment was made by the scheme administrator of the Chapter 1 legacy scheme or the scheme administrator of the Chapter 1 new scheme;
 - (iv) if the previous payment was made by the scheme administrator of the Chapter 1 new scheme, the pension scheme tax reference number of that scheme.

Textual Amendments

F1 [Reg. 11\(5A\)](#) inserted (14.9.2023) by [The Public Service Pension Schemes \(Rectification of Unlawful Discrimination\) \(Tax\) \(No. 2\) Regulations 2023 \(S.I. 2023/912\)](#), regs. 1(2), **25** (with reg. 1(3))

Commencement Information

I1 [Reg. 11](#) in force at 6.4.2023, see [reg. 1\(2\)](#)

Changes to legislation:

There are currently no known outstanding effects for the The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) Regulations 2023, Section 11.