



House of Commons
NOTICES OF AMENDMENTS

given on
Monday 24 November 2014

CONSIDERATION OF BILL

TAXATION OF PENSIONS BILL, AS AMENDED

Mr Chancellor of the Exchequer

Schedule 1, page 37, line 37, after “arrangement”, insert ““nominee’s flexi-access drawdown fund”” 1

Member’s explanatory statement

This Amendment, and Amendments 2, 3, 4, 5 and 6, insert two missing definitions into the amendments made by the Bill in each of the two subsisting versions of section 576A of the Income Tax (Earnings and Pensions) Act 2003.

Mr Chancellor of the Exchequer

Schedule 1, page 37, line 38, after “annuity”, insert “, “successor’s flexi-access drawdown fund”” 2

Member’s explanatory statement

See the explanatory statement for Amendment 1.

Mr Chancellor of the Exchequer

Schedule 1, page 37, line 41, leave out “and 22A” and insert “, 22A, 27E and 27K” 3

Member’s explanatory statement

See the explanatory statement for Amendment 1.

Mr Chancellor of the Exchequer

Schedule 1, page 39, line 35, after “arrangement”, insert ““nominee’s flexi-access drawdown fund”” 4

Member’s explanatory statement

See the explanatory statement for Amendment 1.

Mr Chancellor of the Exchequer

Schedule 1, page 39, line 36, after “annuity”, insert “, “successor’s flexi-access drawdown fund”” 5

Member’s explanatory statement

See the explanatory statement for Amendment 1.

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Mr Chancellor of the Exchequer

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Schedule 1, page 39, line 39, leave out “and 22A” and insert “, 22A, 27E and 27K”
Member’s explanatory statement
See the explanatory statement to Amendment 1.

Mr Chancellor of the Exchequer

7

Schedule 1, page 42, leave out lines 1 to 3
Member’s explanatory statement
This Amendment, and Amendment 8, each remove a subsection inserted by the Bill into a version of section 576A of the Income Tax (Earnings and Pensions) Act 2003 because the subsections relate to payments not included in the lists of “relevant withdrawals” inserted by the Bill as introduced.

Mr Chancellor of the Exchequer

8

Schedule 1, page 44, leave out lines 28 to 30
Member’s explanatory statement
See the explanatory statement for Amendment 7.

Mr Chancellor of the Exchequer

9

Schedule 1, page 46, line 8, at end insert—
 “() if the member is entitled to payment of a lifetime annuity under a flexible annuity contract as defined by section 227G(8), a relevant event occurs when the first payment of the annuity is made,
 () if—
 (i) the member is entitled to payment of a scheme pension under a money purchase arrangement under the scheme,
 (ii) the member became entitled to the scheme pension on or after 6 April 2015,
 (iii) the member became entitled to the scheme pension at a time when fewer than 11 other individuals were entitled to the present payment of a scheme pension, or dependants’ scheme pension, under the scheme, and
 (iv) the scheme pension is not payable under an annuity contract treated under section 153(8) or (8A) as having become a registered pension scheme,
 a relevant event occurs when the first payment of the scheme pension is made, and”

Member’s explanatory statement

This Amendment inserts, in a list that sets out the events that give rise to an individual first flexibly accessing pension rights, missing entries corresponding to the new section 227G(7) and (9) inserted by paragraph 65 of Schedule 1 to the Bill.

Mr Chancellor of the Exchequer

10

Schedule 1, page 46, leave out lines 26 to 41 and insert “and
 (c) the duties under regulation 14ZB and the circumstances in which the member will have to comply with them.”

Member’s explanatory statement

This Amendment condenses the text currently in the Bill of new regulation 14ZA(3)(c) and (d). New

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regulation 14ZA(3) lists matters that are to be explained in statements under new regulation 14ZA that are provided by scheme administrators to members.

Mr Chancellor of the Exchequer

11

Schedule 1, page 47, line 12, at end insert “if active or contributing etc”

Member’s explanatory statement

This Amendment adds words to the title of the new regulation 14ZB to reflect changes to be made in that new regulation by, in particular, Amendment 12.

Mr Chancellor of the Exchequer

12

Schedule 1, page 47, leave out lines 13 to 35 and insert—

“(1) Paragraphs (2) and (3) apply if—

- (a) an individual receives a statement under regulation 14ZA from the scheme administrator of a registered pension scheme (the “flexed” registered pension scheme), and
- (b) on the date of the relevant event concerned, or at any later time, the individual is an accruing member (see paragraph (6)) of the flexed or any other registered pension scheme.

(1A) In this regulation—

“the relevant 13-week period” means the period of 91 days beginning with—

- (a) the date of receipt if the individual is an accruing member of any registered pension scheme on any day in the period—
 - (i) beginning with the date of the relevant event concerned, and
 - (ii) ending with the date of receipt, or
- (b) if not, the first day after the date of receipt when the individual is an accruing member of a registered pension scheme, and

“the intervening period” means the period—

- (c) beginning with the date of the relevant event concerned, and
- (d) ending with the first day of the relevant 13-week period.

(2) The individual must before the end of the relevant 13-week period—

- (a) pass on a copy of the statement, or
- (b) otherwise give notice—
 - (i) of receipt of the statement, and
 - (ii) of the date of the relevant event concerned or (if applicable) of its having occurred more than 2 years before the start of the relevant 13-week period,

to the scheme administrator of each other registered pension scheme of which the individual is an accruing member on any day in the intervening period; but this is subject to paragraph (5).

(3) Where, in the case of a particular registered pension scheme other than the flexed scheme, the individual is not an accruing member of that other scheme on any day in the intervening period but becomes an accruing member of that other scheme on a day (“the activation day”) after the last day of that period, the individual must before the end of the 91 days beginning with the activation day—

- (a) pass on a copy of the statement, or
- (b) otherwise give notice—
 - (i) of receipt of the statement, and

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- (ii) of the date of the relevant event concerned or (if applicable) of its having occurred more than 2 years before the activation day, to the scheme administrator of that other scheme; but this is subject to paragraphs (4) and (5).”

Member’s explanatory statement

This Amendment makes a change in new regulation 14ZB to simplify the obligations for individuals who have flexibly accessed their pension savings. Information will need to be provided to a scheme only when the individual is an accruing member of that scheme and within a 91 day period.

Mr Chancellor of the Exchequer

13

Schedule 1, page 47, line 37, leave out “a” and insert “an accruing”

Member’s explanatory statement

This Amendment, and Amendments 14 and 15, are consequential on Amendment 12 and make changes in new regulation 14ZB to ensure that an individual does not have to tell the scheme administrator if they become an accruing member of the scheme as a result of a recognised transfer.

Mr Chancellor of the Exchequer

14

Schedule 1, page 47, line 38, after “becomes”, insert “an accruing member of that scheme upon or after becoming”

Member’s explanatory statement

See the explanatory statement for Amendment 13.

Mr Chancellor of the Exchequer

15

Schedule 1, page 47, line 38, at end insert “after the date of the relevant event concerned.”

Member’s explanatory statement

See the explanatory statement for Amendment 13.

Mr Chancellor of the Exchequer

16

Schedule 1, page 47, line 42, after second “(3)”, insert “, or has previously complied with paragraph (2) or (3).”

Member’s explanatory statement

This Amendment ensures that a member of a pension scheme does not have to provide information under new regulation 14ZB more than once to the same pension scheme.

Mr Chancellor of the Exchequer

17

Schedule 1, page 47, line 43, at end insert—

- “(6) For the purposes of this regulation, the individual is an accruing member of a registered pension scheme on any particular day if—
- (a) the individual is an active member of the scheme on that day as a result of there presently being arrangements for the accrual of benefits to or in respect of the individual under a cash balance arrangement or hybrid arrangement, or
 - (b) a relevant contribution is made under the scheme on that day.
- (7) For the purposes of this regulation, a relevant contribution is made under a registered pension scheme if—

Taxation of Pensions Bill, *continued*

- (a) a relievable pension contribution is paid by or on behalf of the individual under a non-cash-balance money purchase arrangement relating to the individual under the scheme,
- (b) a contribution is paid in respect of the individual by an employer of the individual under a non-cash-balance money purchase arrangement relating to the individual under the scheme, or
- (c) a contribution—
 - (i) paid under the scheme by an employer of the individual, and
 - (ii) paid otherwise than in respect of any individual,
 becomes held for the purposes of a non-cash-balance money purchase arrangement relating to the individual under the scheme;

and in this paragraph “non-cash-balance money purchase arrangement” means a money purchase arrangement other than a cash balance arrangement.”

Member’s explanatory statement

This Amendment defines terms used in the provisions inserted by Amendment 12. The definitions are largely based on the text currently in the Bill of new regulation 14ZD(1)(b) and (8).

Mr Chancellor of the Exchequer

18

Schedule 1, page 48, line 33, leave out “active member” and insert “accruing member (see paragraph (7A))”

Member’s explanatory statement

This Amendment makes a change in new regulation 14ZD to bring that new regulation into line with the changes made by Amendment 12 in new regulation 14ZB.

Mr Chancellor of the Exchequer

19

Schedule 1, page 48, line 34, leave out from “scheme” to end of line 38

Member’s explanatory statement

This Amendment makes a change in new regulation 14ZD to bring that new regulation into line with the changes made by Amendment 12 in new regulation 14ZB. The text left out is replaced by the new regulation 14ZD(7A) inserted by Amendment 27.

Mr Chancellor of the Exchequer

20

Schedule 1, page 48, line 38, at end insert—

“(1A) In this regulation “the relevant 13-week period” means the period of 91 days beginning with—

- (a) 6 April 2015 if on that date the individual is an accruing member of any registered pension scheme, or
- (b) if not, the first day after 6 April 2015 when the individual is an accruing member of a registered pension scheme.”

Member’s explanatory statement

This Amendment makes a change in new regulation 14ZD to bring that new regulation into line with the changes made by Amendment 12 in new regulation 14ZB.

Mr Chancellor of the Exchequer

21

Schedule 1, page 48, line 39, leave out from second “the” to end of line 44 and insert “relevant 13-week period,”

Member’s explanatory statement

This Amendment makes a change in new regulation 14ZD to bring that new regulation into line with the changes made by Amendment 12 in new regulation 14ZB.

 Taxation of Pensions Bill, *continued*

Mr Chancellor of the Exchequer

22

Schedule 1, page 48, line 47, leave out “a member on the first day of that” and insert “an accruing member on the first day of the relevant 13-week”

Member’s explanatory statement

This Amendment makes a change in new regulation 14ZD to bring that new regulation into line with the changes made by Amendment 12 in new regulation 14ZB.

Mr Chancellor of the Exchequer

23

Schedule 1, page 49, line 1, leave out from “Where” to “provide” in line 4 and insert “, in the case of a particular registered pension scheme other than the flexed scheme, the individual is not an accruing member of that other scheme on the first day of the relevant 13-week period but becomes an accruing member of that other scheme on a day (“the activation day”) after the first day of that period, the individual must, before the end of the 91 days beginning with the activation day,”

Member’s explanatory statement

This Amendment makes a change in new regulation 14ZD to bring that new regulation into line with the changes made by Amendment 12 in new regulation 14ZB.

Mr Chancellor of the Exchequer

24

Schedule 1, page 49, line 16, after “becomes”, insert “an accruing member of that scheme upon or after becoming”

Member’s explanatory statement

This Amendment, and Amendment 25, are consequential on Amendments changing earlier provisions of new regulation 14ZD and further change that regulation to ensure that an individual does not have to tell the scheme administrator if they become an accruing member of the scheme as a result of a recognised transfer.

Mr Chancellor of the Exchequer

25

Schedule 1, page 49, line 17, at end insert “after 6 April 2015.”

Member’s explanatory statement

See the explanatory statement for Amendment 24.

Mr Chancellor of the Exchequer

26

Schedule 1, page 49, line 21, after second “(3)”, insert “, or has previously complied with paragraph (2) or (3).”

Member’s explanatory statement

This Amendment ensures that a member of a pension scheme does not have to provide information under new regulation 14ZD more than once to the same pension scheme.

Mr Chancellor of the Exchequer

27

Schedule 1, page 49, line 22, at end insert—

“(7A) For the purposes of this regulation, the individual is an accruing member of a registered pension scheme on any particular day if—

- (a) the individual is an active member of the scheme on that day as a result of there presently being arrangements for the accrual of benefits to or in respect of the individual under a cash balance arrangement or hybrid arrangement, or

Taxation of Pensions Bill, *continued*

(b) a relevant contribution is made under the scheme on that day.”

Member’s explanatory statement

This Amendment inserts a definition of a phrase used in the text inserted by the Amendments making changes in the earlier provisions of new regulation 14ZD. It replaces the text left out by Amendment 19.

Mr Chancellor of the Exchequer

28

Schedule 1, page 49, line 23, leave out “paid” and insert “made under a registered pension scheme”

Member’s explanatory statement

This Amendment adjusts the definition of “relevant contribution” in new regulation 14ZD to bring it into line with the definition inserted into new regulation 14ZB by Amendment 17.

Mr Chancellor of the Exchequer

29

Schedule 1, page 49, line 27, leave out “flexed or any other registered pension”

Member’s explanatory statement

This Amendment is consequential on Amendment 28 and further adjusts the definition of “relevant contribution” in new regulation 14ZD to bring it into line with the definition inserted into new regulation 14ZB by Amendment 17.

Mr Chancellor of the Exchequer

30

Schedule 1, page 49, line 32, leave out “flexed or any other registered pension”

Member’s explanatory statement

This Amendment is consequential on Amendment 28 and further adjusts the definition of “relevant contribution” in new regulation 14ZD to bring it into line with the definition inserted into new regulation 14ZB by Amendment 17.

Mr Chancellor of the Exchequer

31

Schedule 1, page 49, line 34, leave out “flexed or any other registered pension”

Member’s explanatory statement

This Amendment is consequential on Amendment 28 and further adjusts the definition of “relevant contribution” in new regulation 14ZD to bring it into line with the definition inserted into new regulation 14ZB by Amendment 17.

Mr Chancellor of the Exchequer

32

Schedule 1, page 49, line 39, leave out “under which the contribution was paid”

Member’s explanatory statement

This Amendment is consequential on Amendment 28 and further adjusts the definition of “relevant contribution” in new regulation 14ZD to bring it into line with the definition inserted into new regulation 14ZB by Amendment 17.

Mr Chancellor of the Exchequer

33

Schedule 1, page 49, line 43, after “if”, insert “active or contributing etc and”

Member’s explanatory statement

This Amendment adds words to the title of the new regulation 14ZE to reflect changes to be made in that new regulation by, in particular, Amendment 34.

Taxation of Pensions Bill, *continued*

Mr Chancellor of the Exchequer

34

Schedule 1, page 49, line 45, leave out from beginning to end of line 13 on page 50 and insert—

- “(1) Paragraphs (2) and (3) apply if—
- (a) under paragraph 8C of Schedule 28, the drawdown pension fund in respect of an arrangement relating to an individual under a registered pension scheme (the “flexed” registered pension scheme) becomes the individual’s flexi-access drawdown fund in respect of the arrangement, and
 - (b) on the conversion date, or at any later time, the individual is an accruing member (see paragraph (6)) of the flexed or any other registered pension scheme.
- (1A) In this regulation “the relevant 13-week period” means the period of 91 days beginning with—
- (a) the conversion date if on that date the individual is an accruing member of any registered pension scheme, or
 - (b) if not, the first day after that date when the individual is an accruing member of a registered pension scheme.
- (2) The individual must, before the end of the relevant 13-week period, inform the scheme administrator of each other registered pension scheme of which the individual is an accruing member on the first day of the relevant 13-week period—
- (a) of the conversion, and
 - (b) of the conversion date or (if applicable) of the conversion’s having occurred more than 2 years before the start of the relevant 13-week period;
- but this is subject to paragraph (5).
- (3) Where, in the case of a particular registered pension scheme other than the flexed scheme, the individual is not an accruing member of that other scheme on the first day of the relevant 13-week period but becomes an accruing member of that other scheme on a day (“the activation day”) after the first day of that period, the individual must, before the end of the 91 days beginning with the activation day, inform the scheme administrator of that other scheme—
- (a) of the conversion, and
 - (b) of the conversion date or (if applicable) of the conversion’s having occurred more than 2 years before the activation day;
- but this is subject to paragraphs (4) and (5).”

Member’s explanatory statement

This amendment makes a change in new regulation 14ZE to simplify the obligations for individuals who have converted their existing drawdown fund to a flexi-access drawdown fund, bringing that regulation into line with new regulation 14ZB as amended by Amendment 12.

Mr Chancellor of the Exchequer

35

Schedule 1, page 50, line 15, leave out “a” and insert “an accruing”

Member’s explanatory statement

This Amendment, and Amendments 36 and 37, are consequential on Amendment 34 and make changes in new regulation 14ZE to ensure that an individual does not have to tell the scheme administrator if they become an accruing member of the scheme as a result of a recognised transfer.

Taxation of Pensions Bill, *continued*

Mr Chancellor of the Exchequer

36

Schedule 1, page 50, line 16, after “becomes”, insert “an accruing member of that scheme upon or after becoming”

Member’s explanatory statement

See the explanatory statement for Amendment 35.

Mr Chancellor of the Exchequer

37

Schedule 1, page 50, line 16, at end insert “after the conversion date.”

Member’s explanatory statement

See the explanatory statement for Amendment 35.

Mr Chancellor of the Exchequer

38

Schedule 1, page 50, line 20, after second “(3)”, insert “, or has previously complied with paragraph (2) or (3),”

Member’s explanatory statement

This Amendment ensures that a member of a pension scheme does not have to provide information under new regulation 14ZE more than once to the same pension scheme.

Mr Chancellor of the Exchequer

39

Schedule 1, page 50, line 21, at end insert—

“(6) For the purposes of this regulation, the individual is an accruing member of a registered pension scheme on any particular day if—

(a) the individual is an active member of the scheme on that day as a result of there presently being arrangements for the accrual of benefits to or in respect of the individual under a cash balance arrangement or hybrid arrangement, or

(b) a relevant contribution is made under the scheme on that day.

(7) For the purposes of this regulation, a relevant contribution is made under a registered pension scheme if—

(a) a relievable pension contribution is paid by or on behalf of the individual under a non-cash-balance money purchase arrangement relating to the individual under the scheme,

(b) a contribution is paid in respect of the individual by an employer of the individual under a non-cash-balance money purchase arrangement relating to the individual under the scheme, or

(c) a contribution—

(i) paid under the scheme by an employer of the individual, and

(ii) paid otherwise than in respect of any individual,

becomes held for the purposes of a non-cash-balance money purchase arrangement relating to the individual under the scheme;

and in this paragraph “non-cash-balance money purchase arrangement” means a money purchase arrangement other than a cash balance arrangement.””

Member’s explanatory statement

This Amendment defines terms used in the provisions inserted by Amendment 34. The definitions are largely based on the text currently in the Bill of new regulation 14ZD(1)(b) and (8).
