



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART XIV

PENSION SCHEMES, SOCIAL SECURITY BENEFITS, LIFE ANNUITIES ETC.

CHAPTER IV

PERSONAL PENSION SCHEMES

Restrictions on approval

637 Lump sum on death of member

- (1) The lump sum—
 - (a) must be payable by an authorised insurance company; and
 - (b) must be payable on the death of the member before he attains the age of 75.
- (2) The lump sum—
 - (a) must be payable only if no annuity satisfying the conditions in either section 634 or section 636 has become payable; and
 - (b) subject to subsection (3) below, must represent no more than the return of contributions together with reasonable interest on contributions or bonuses out of profits.
- (3) To the extent that contributions are invested in units under a unit trust scheme, the lump sum referred to in subsection (2) above may represent the sale or redemption price of the units.