



Finance Act 2004

2004 CHAPTER 12

PART 4

PENSION SCHEMES ETC

CHAPTER 7

COMPLIANCE

Accounting and assessment

254 Accounting for tax by scheme administrators

- (1) A scheme administrator of a registered pension scheme must make returns to the Inland Revenue of the income tax to which the scheme administrator is liable under this Part.
- (2) A return is to be made for each period of three months ending with 31st March, 30th June, 30th September or 31st December if tax has been charged on the scheme administrator by virtue of this Part in that period.
- (3) A return for any period must be made before the end of the period of 45 days beginning with the day immediately following the end of that period.
- (4) A return must—
 - (a) show the income tax to which the scheme administrator is liable, and
 - (b) include such particulars of the events or other circumstances giving rise to the liability (including particulars as to the persons to whom the events or other circumstances relate) as are required to be included in returns under this section by regulations made by the Board of Inland Revenue.
- (5) The income tax required to be shown in a return is due at the time by which the return is to be made and is payable without the making of an assessment.

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- (6) The Board of Inland Revenue may by regulations make provision for and in connection with—
- (a) the charging of interest on tax due under this section which is not paid on or before the due date,
 - (b) the making of amended returns by scheme administrators in the event of error in a return under this section,
 - [^{F1}(ba) repayments under section 244M to scheme administrators,]
 - (c) the making of assessments, repayments or adjustments in cases where the correct tax due under this section has not been paid on or before the due date, and
 - (d) otherwise for supplementing this section.
- (7) The regulations may, in particular—
- (a) modify the operation of any provision of the Tax Acts, or
 - (b) provide for the application of any provision of the Tax Acts (with or without modifications).
- [^{F2}(7A) Where a scheme administrator is liable under section 237B in respect of the annual allowance charge for a tax year, for the purposes of subsection (2) the tax is to be taken to be charged on the scheme administrator in [^{F3}the later of—
- (a) the period ending with 31 December in the year following that in which that tax year ended, and
 - (b) the period following the period in which the scheme administrator receives the notice which gives rise to the liability,
- subject to subsections (7AA) and (7B).]
- [The tax described in subsection (7A) is to be taken for the purposes of subsection (2) ^{F4}(7AA) to be charged in an earlier period if the scheme administrator makes an election to that effect in the return for the earlier period.]
- (7B) ^{F5}...If the notice which gave rise to the liability is amended in accordance with regulations under section 237B(5)(c), any additional tax to which the scheme administrator becomes liable is to be taken for the purposes of subsection (2) to be charged in the later of the period in which it is taken to be charged by virtue of subsection (7A) [^{F6}or (7AA)] and the period in which the scheme administrator receives notice of the amendment.]
- (8) References in this section to the income tax to which a scheme administrator is liable under this Part do not include any to which the scheme administrator is liable under section 239 (scheme sanction charge).
- (9) Where the registration of a registered pension scheme has been withdrawn, this section has effect as if references to the scheme administrator were to the person who was, or each of the persons who were, the scheme administrator immediately before the registration was withdrawn.

Textual Amendments

- F1** S. 254(6)(ba) inserted (with effect in accordance with Sch. 4 para. 25 of the amending Act) by [Finance Act 2017 \(c. 10\)](#), [Sch. 4 para. 15](#)
- F2** S. 254(7A)(7B) inserted (with effect in accordance with Sch. 17 Pt. 2 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 17 para. 18](#)

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- F3** Words in s. 254(7A) substituted (24.2.2022) by Finance Act 2022 (c. 3), s. 9(4)(a)
F4 S. 254(7AA) inserted (24.2.2022) by Finance Act 2022 (c. 3), s. 9(4)(b)
F5 Word in s. 254(7B) omitted (24.2.2022) by virtue of Finance Act 2022 (c. 3), s. 9(4)(c)(i)
F6 Words in s. 254(7B) inserted (24.2.2022) by Finance Act 2022 (c. 3), s. 9(4)(c)(ii)

Modifications etc. (not altering text)

- C1** S. 254 modified (6.4.2006) by The Registered Pension Schemes (Splitting of Schemes) Regulations 2006 (S.I. 2006/569), regs. 1(1), 3(1)(2), Sch. 3 Pt. 1
C2 S. 254(7A) applied (with modifications) (19.7.2011) by Finance Act 2011 (c. 11), Sch. 17 para. 33
C3 S. 254(2) modified (6.4.2023) by The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) Regulations 2023 (S.I. 2023/113), regs. 1(2), 33(4) (with reg. 1(3))

Commencement Information

- I1** Ss. 160-274, 281, Schs. 30-35 in force at 6.4.2006 but any power to make an order or regulations under those provisions may be exercised at any time after Royal Assent, see s. 284

255 Assessments under this Part

- (1) The Board of Inland Revenue may by regulations make provision for and in connection with the making of assessments in respect of—
- (a) the unauthorised payments charge,
 - (b) the unauthorised payments surcharge,
 - (c) liability to the lifetime allowance charge under section 217(2) (person to whom lump sum death benefit paid),
 - [^{F7}(ca) liability to the annual allowance charge by virtue of section 237B,]
 - (d) the scheme sanction charge,
 - [^{F8}(da) liability of the scheme administrator of a registered pension scheme, or the scheme manager of a qualifying recognised overseas pension scheme or of a former such scheme, to the overseas transfer charge,]
 - (e) liability under section 272 (trustees etc. liable as scheme administrator),
 - [^{F9}(ea) liability under section 272C (former scheme administrator to retain liability in cases involving independent trustees etc),]
 - (f) liability under section 273 (member liable as scheme administrator), and
 - (g) liability under section 394 of ITEPA 2003 (benefit under employer-financed retirement benefits scheme: charge on responsible person).
- (2) The provision that may be made by the regulations includes (in particular) provision for the charging of interest on tax due under such assessments which remains unpaid.
- (3) The regulations may, in particular—
- (a) modify the operation of any provision of the Tax Acts, or
 - (b) provide for the application of any provision of the Tax Acts (with or without modification).

Textual Amendments

- F7** S. 255(1)(ca) inserted (with effect in accordance with Sch. 17 Pt. 2 of the amending Act) by Finance Act 2011 (c. 11), Sch. 17 para. 19
F8 S. 255(1)(da) inserted (retrospective to 9.3.2017 and with effect in accordance with Sch. 4 para. 25 of the amending Act) by Finance Act 2017 (c. 10), Sch. 4 para. 16

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F9 S. 255(1)(ea) inserted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 7 para. 17](#)

Commencement Information

I2 Ss. 160-274, 281, Schs. 30-35 in force at 6.4.2006 but any power to make an order or regulations under those provisions may be exercised at any time after Royal Assent, see s. 284

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 236ZA inserted by [S.I. 2024/357 art. 2\(2\)](#)