

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2004. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

SCHEDULES

SCHEDULE 29

REGISTERED PENSION SCHEMES: AUTHORISED LUMP SUMS—SUPPLEMENTARY

Modifications etc. (not altering text)

- C1** Sch. 29 modified by [The Taxation of Pension Schemes \(Transitional Provisions\) Order 2006 \(S.I. 2006/572\)](#), [art. 23C](#) (as inserted (1.6.2009) by [S.I. 2009/1172](#), arts. 1, 3 (as amended (with effect in accordance with [s. 42\(9\)](#) of the amending Act) by [Finance Act 2014 \(c. 26\)](#), s. 42(5); and as amended by [Taxation of Pensions Act 2014 \(c. 30\)](#), Sch. 1 para. 72(1) (with Sch. 1 para. 72(2)(b)))
- C1** Sch. 29 modified by [The Pensions Schemes \(Application of UK Provisions to Relevant Non-UK Schemes\) Regulations 2006 \(S.I. 2006/207\)](#), regs. 1(1), [15](#) (as substituted (with effect in accordance with reg. 1(3) of the amending S.I.) by [S.I. 2012/1795](#), regs. 1(1), 6; and amended by [Taxation of Pensions Act 2014 \(c. 30\)](#), Sch. 1 para. 96(3)-(14) (with Sch. 1 para. 96(16)(b))

PART 1

LUMP SUM RULE

Modifications etc. (not altering text)

- C1** Sch. 29 Pt. 1 modified (6.4.2006) by [The Taxation of Pension Schemes \(Transitional Provisions\) Order 2006 \(S.I. 2006/572\)](#), arts. 1(1), [25\(1\)\(2\)\(4\)](#)
- C1** Sch. 29 Pt. 1 applied (with modifications) (6.4.2006) by [The Pension Protection Fund \(Tax\) Regulations 2006 \(S.I. 2006/575\)](#), regs. 1, [11](#)

Winding-up lump sum

- 10 (1) For the purposes of this Part a lump sum is a winding-up lump sum if—
- (a) the pension scheme is an occupational pension scheme,
 - (b) the pension scheme is being wound-up,
 - (c) [^{F1}any person by whom the member is employed at the time when the lump sum is paid, and who has made contributions under the pension scheme in respect of the member within the period of five years ending with the day on which it is paid,] meets the conditions in sub-paragraph (3),
 - (d) it is paid when all or part of the member's lifetime allowance is available, [^{F2}and]
 - (e) it extinguishes the member's entitlement to benefits under the pension scheme, ^{F3}...
 - ^{F3}(f)

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- (2) But if a lump sum falling within sub-paragraph (1) exceeds [^{F4}£18,000,] the excess is not a winding-up lump sum.
- [^{F5}(2A) The Treasury may by order substitute for the amount for the time being specified in sub-paragraph (2) such larger amount as is specified in the order.]
- (3) The conditions [^{F6}referred to in paragraph (c) of sub-paragraph (1) are that the person mentioned in that paragraph] —
- ^{F7}(a)
 - (b) is not making contributions under any other registered pension scheme in respect of the member, and
 - (c) undertakes to the Inland Revenue not to make such contributions during the period of one year beginning with the day on which the lump sum is paid.

Textual Amendments

- F1** Words in Sch. 29 para. 10(1)(c) substituted (19.7.2007) (with effect in accordance with Sch. 20 para. 24(6) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 20 para. 12\(2\)](#)
- F2** Word in Sch. 29 para. 10(1)(d) inserted (with effect in accordance with Sch. 16 paras. 85, 102 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 16 para. 30\(a\)](#)
- F3** Sch. 29 para. 10(1)(f) and word omitted (with effect in accordance with Sch. 16 paras. 85, 102 of the amending Act) by virtue of [Finance Act 2011 \(c. 11\)](#), [Sch. 16 para. 30\(b\)](#)
- F4** Word in Sch. 29 para. 10(2) substituted (with effect in accordance with Sch. 18 Pt. 2 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 18 para. 5\(2\)](#)
- F5** Sch. 29 para. 10(2A) inserted (with effect in accordance with Sch. 18 Pt. 2 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 18 para. 5\(3\)](#)
- F6** Words in Sch. 29 para. 10(3) substituted (19.7.2007) (with effect in accordance with Sch. 20 para. 24(6) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 20 para. 12\(3\)\(a\)](#)
- F7** Sch. 29 para. 10(3)(a) repealed (19.7.2007) (with effect in accordance with Sch. 20 para. 24(6) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 20 para. 12\(3\)\(b\)](#), [Sch. 27 Pt. 3\(2\)](#)

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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\(2\)](#)