

**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 2

#### LUMP SUM DEATH BENEFIT RULE

##### Modifications etc. (not altering text)

- C1** Sch. 29 Pt. 2 applied (with modifications) (6.4.2006) by [The Pension Protection Fund \(Tax\) Regulations 2006 \(S.I. 2006/575\)](#), regs. 1, [14](#)
- C1** Sch. 29 Pt. 2 modified (6.4.2006) by [The Taxation of Pension Schemes \(Transitional Provisions\) Order 2006 \(S.I. 2006/572\)](#), arts. 1(1), [6](#), 8(1)(3)

#### *Money purchase arrangements*

#### *[<sup>F1</sup>Drawdown pension fund lump sum death benefit]*

##### Textual Amendments

- F1** Sch. 29 para. 17 cross-heading substituted (with effect in accordance with Sch. 16 paras. 85, 103 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 16 para. 37\(6\)](#)

- 17 [<sup>F1</sup>(1) For the purposes of this Part a lump sum death benefit is a drawdown pension fund lump sum death benefit if—
- (a) it is paid in respect of income withdrawal to which the member was entitled [<sup>F2</sup>to be paid from the member's drawdown pension fund in respect of] an arrangement at the date of the member's death, and
  - (b) it is not a charity lump sum death benefit.]

*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

- (2) A lump sum death benefit is also [<sup>F3</sup>a drawdown pension fund lump sum death benefit] if—
- (a) it is paid on the death of a dependant of the member,
  - <sup>F4</sup>(b) .....
  - (c) it is paid in respect of dependants' income withdrawal to which the dependant was entitled at the date of the dependant's death [<sup>F5</sup>to be paid from the dependant's drawdown pension fund] in respect of an arrangement relating to the member<sup>F6</sup>, and
  - (d) it is not a charity lump sum death benefit.]
- (3) But if the amount of a lump sum falling within sub-paragraph (1) or (2) exceeds the permitted maximum, the excess is not [<sup>F7</sup>a drawdown pension fund lump sum death benefit].
- (4) The permitted maximum is the aggregate of—
- (a) the amount of the sums, and
  - (b) the market value of the assets,
- representing the member's or dependant's [<sup>F8</sup>drawdown pension fund] in respect of the arrangement immediately before the payment is made.

#### Textual Amendments

- F1** Sch. 29 para. 17(1) substituted (with effect in accordance with Sch. 16 paras. 85, 103 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **Sch. 16 para. 37(2)**
- F2** Words in Sch. 29 para. 17(1)(a) substituted (17.12.2014) by [Taxation of Pensions Act 2014 \(c. 30\)](#), **Sch. 1 para. 23(a)**
- F3** Words in Sch. 29 para. 17(2) substituted (with effect in accordance with Sch. 16 paras. 85, 103 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **Sch. 16 para. 37(3)(a)**
- F4** Sch. 29 para. 17(2)(b) omitted (with effect in accordance with Sch. 16 paras. 85, 103 of the amending Act) by virtue of [Finance Act 2011 \(c. 11\)](#), **Sch. 16 para. 37(3)(b)**
- F5** Words in Sch. 29 para. 17(2)(c) inserted (17.12.2014) by [Taxation of Pensions Act 2014 \(c. 30\)](#), **Sch. 1 para. 23(b)**
- F6** Sch. 29 para. 17(2)(d) and word inserted (with effect in accordance with Sch. 16 paras. 85, 103 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **Sch. 16 para. 37(3)(c)**
- F7** Words in Sch. 29 para. 17(3) substituted (with effect in accordance with Sch. 16 paras. 85, 103 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **Sch. 16 para. 37(4)**
- F8** Words in Sch. 29 para. 17(4) substituted (with effect in accordance with Sch. 16 paras. 85, 103 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **Sch. 16 para. 37(5)**

#### Modifications etc. (not altering text)

- C1** Sch. 29 para. 17 modified (27.7.2010) by [Finance \(No. 2\) Act 2010 \(c. 31\)](#), **Sch. 3 para. 2(1)(2)(e)** (with [Sch. 2 para. 2\(1\)](#))

**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.

[View outstanding changes](#)

**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\(2\)](#)