

Changes to legislation: Finance Act 2004, Cross Heading: Benefit crystallisation events 1, 2 and 4: prevention of overlap is up to date with all changes known to be in force on or before 04 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

SCHEDULES

SCHEDULE 32

REGISTERED PENSION SCHEMES: BENEFIT CRYSTALLISATION EVENTS—SUPPLEMENTARY

Modifications etc. (not altering text)

- C1** Sch. 32 modified (6.4.2006) by [The Pensions Schemes \(Application of UK Provisions to Relevant Non-UK Schemes\) Regulations 2006 \(S.I. 2006/207\)](#), regs. 1(1), **16**
- C2** Sch. 32 applied (6.4.2006) by [The Pension Protection Fund \(Tax\) Regulations 2006 \(S.I. 2006/575\)](#), regs. 1, **23(5)**

Benefit crystallisation events 1, 2 and 4: prevention of overlap

- 4 (1) This paragraph applies for the purposes of benefit crystallisation event 4 ^[F1]if—
- (a) the lifetime annuity or a related dependants' annuity or a related nominees' annuity is, or
 - (b) the lifetime annuity and a related dependants' annuity are, or
 - (c) the lifetime annuity and a related nominees' annuity are, or
 - (d) a related dependants' annuity and a related nominees' annuity are, or
 - (e) the lifetime annuity and a related dependants' annuity and a related nominees' annuity are,
- purchased] (in whole or in part) with sums or assets representing the whole or part of the individual's ^[F2]drawdown pension fund^[F3] or flexi-access drawdown fund].
- (2) The amount crystallised by the event is to be reduced by the amount (or an appropriate proportion of the amount) previously crystallised on the designation of the sums or assets as available for the payment of ^[F4]drawdown pension].

Textual Amendments

- F1** Words in Sch. 32 para. 4(1) substituted (26.3.2015) by [Finance Act 2015 \(c. 11\)](#), **Sch. 4 para. 7(b)**
- F2** Words in Sch. 32 para. 4(1) substituted (with effect in accordance with Sch. 16 paras. 85, 104(1) of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **Sch. 16 para. 80(3)(a)**
- F3** Words in Sch. 32 para. 4(1) inserted (17.12.2014) by [Taxation of Pensions Act 2014 \(c. 30\)](#), **Sch. 1 para. 26**
- F4** Words in Sch. 32 para. 4(2) substituted (with effect in accordance with Sch. 16 paras. 85, 104(1) of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **Sch. 16 para. 80(3)(b)**

Modifications etc. (not altering text)

- C3** Sch. 32 para. 4(2) modified (with effect in accordance with Sch. 16 para. 85 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **Sch. 16 para. 104(3)(b)**

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Commencement Information

- II** 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\(2\)](#)