

Changes to legislation: Finance Act 2004, Paragraph 14 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 event 5: meaning of “DP” and “DSLS”

- 14 (1) For the purposes of benefit crystallisation event 5 “DP” is the annual rate of the scheme pension to which the individual would be entitled if, on the date on which the individual reaches 75, the individual acquired an actual (rather than a prospective) right to receive it.
- [^{F1}(1A) If the rate at which the scheme pension would be payable would be reduced so as to reflect the amount of any tax under section 215 to be paid by the scheme administrator, that reduction is to be left out of account in determining the rate at which the pension would be payable for the purposes of sub-paragraph (1).
- (1B) And if the reduction is such that, in accordance with normal actuarial practice, it would be taken fully to reflect the amount of the tax, the tax is not to be treated as tax paid by the scheme administrator for the purposes of section 215(9).]
- (2) For the purposes of benefit crystallisation event 5 “DSLS” is [^{F2}so much] of any lump sum to which the individual would be entitled (otherwise than by way of commutation of pension) [^{F3}as would be paid to the individual] if, on that date, the individual acquired an actual (rather than a prospective) right to receive it.

Textual Amendments

- F1** Sch. 32 para. 14(1A)(1B) inserted (6.4.2006) by [Finance Act 2005 \(c. 7\)](#), **Sch. 10 paras. 43(7)**, 64(1)
- F2** Words in Sch. 32 para. 14(2) substituted (6.4.2006) by [Finance Act 2005 \(c. 7\)](#), **Sch. 10 paras. 43(8)(a)**, 64(1)
- F3** Words in Sch. 32 para. 14(2) inserted (6.4.2006) by [Finance Act 2005 \(c. 7\)](#), **Sch. 10 paras. 43(8)(b)**, 64(1)

Modifications etc. (not altering text)

- C3** Sch. 32 para. 14(1A)(1B) 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**

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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\(2\)](#)