



# Finance Act 2004

## 2004 CHAPTER 12

### PART 4

#### PENSION SCHEMES ETC

### CHAPTER 2

#### REGISTRATION OF PENSION SCHEMES

#### *De-registration*

#### **158 Grounds for de-registration**

- (1) The registration of a pension scheme may be withdrawn under section 157 only if it appears to the Inland Revenue—
- [<sup>F1</sup>(za) that the pension scheme has not been established, or is not being maintained, wholly or mainly for the purpose of making payments falling within section 164(1)(a) or (b) (authorised payments of pensions and lump sums),]
  - [<sup>F2</sup>(zb) that the person who is, or any of the persons who are, the scheme administrator is not a fit and proper person to be, as the case may be—
    - (i) the scheme administrator, or
    - (ii) one of the persons who are the scheme administrator,]
  - (a) that the amount of the scheme chargeable payments (see section 241) made by the pension scheme during any period of 12 months exceeds the de-registration threshold,
  - (b) that the scheme administrator fails to pay a substantial amount of tax (or interest on tax) due from the scheme administrator by virtue of this Part,
  - (c) that the scheme administrator fails to provide information required to be provided to the Inland Revenue by virtue of this Part [<sup>F3</sup>or Part 1 of Schedule 36 to the Finance Act 2008] and the failure is significant,

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- (d) that any information contained in the application to register the pension scheme or otherwise provided to the Inland Revenue is [<sup>F4</sup>inaccurate] in a material particular,
  - [<sup>F5</sup>(da) that the scheme administrator fails to produce any document required to be produced to an officer of Revenue and Customs by virtue of this Part or Part 1 of Schedule 36 to the Finance Act 2008,
  - (db) that any document produced to an officer of Revenue and Customs by the scheme administrator contains a material inaccuracy in relation to which at least one of conditions A to C in subsections (7) to (10) is met,]
  - [<sup>F6</sup>(e) that any declaration accompanying the application to register the pension scheme, or otherwise made to an officer of Revenue and Customs in connection with the pension scheme, is false in a material particular,
  - (ea) that the scheme administrator has deliberately obstructed an officer of Revenue and Customs in the course of an inspection under [<sup>F7</sup>section 159B or] Part 2 of Schedule 36 to the Finance Act 2008 that has been approved by the tribunal, or]
  - (f) that there is no scheme administrator[<sup>F8</sup>, or
  - (g) that the pension scheme is an occupational pension scheme, and a sponsoring employer in relation to the scheme is a body corporate that has been dormant during a continuous period of one month that falls within the period of one year ending with the day on which the decision to withdraw registration is made, or
  - (h) that the scheme is an unauthorised Master Trust scheme.]
- (2) The amount of the scheme chargeable payments made by a pension scheme during any period of 12 months exceeds the de-registration threshold if the scheme chargeable payments percentage is 25% or more.
- (3) The scheme chargeable payments percentage is—
- (a) if only one scheme chargeable payment is made during the period of 12 months, the percentage of the pension fund used up on the occasion of that scheme chargeable payment, and
  - (b) if two or more scheme chargeable payments are made during the period of 12 months, the aggregate of the percentages of the pension fund used up on the occasion of each of those scheme chargeable payments.
- (4) The percentage of the pension fund used up on the occasion of a scheme chargeable payment is—

$$\frac{\text{SCP}}{\text{AA}} \times 100$$

where—

SCP is the amount of the scheme chargeable payment, and

AA is an amount equal to the aggregate of the amount of the sums and the market value of the assets held for the purposes of the pension scheme at the time when the scheme chargeable payment is made.

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- (5) A failure by a scheme administrator to provide information required to be provided to the Inland Revenue by or under this Part [F<sup>9</sup> or Part 1 of Schedule 36 to the Finance Act 2008] is significant if—
- (a) the amount of information which the scheme administrator fails to provide is substantial, or
  - (b) the failure to provide the information is likely to result in serious prejudice to the assessment or collection of tax.

[F<sup>10</sup>(6) Subsections (7) to (10) apply for the purposes of subsection (1)(db).

- (7) Condition A is that the inaccuracy is careless or deliberate.
- (8) An inaccuracy is careless if it is due to a failure by the scheme administrator to take reasonable care.
- (9) Condition B is that the scheme administrator knows of the inaccuracy at the time the document is produced to an officer of Revenue and Customs but does not inform such an officer at that time.
- (10) Condition C is that the scheme administrator—
  - (a) discovers the inaccuracy some time later, and
  - (b) fails to take reasonable steps to inform an officer of Revenue and Customs.]

#### Textual Amendments

- F1** S. 158(1)(za) inserted (with effect in accordance with Sch. 7 para. 8(1) of the amending Act) by [Finance Act 2014 \(c. 26\)](#), [Sch. 7 paras. 6\(2\)\(a\)](#), 8(2)
- F2** S. 158(1)(zb) inserted (1.9.2014) (with effect in accordance with Sch. 7 para. 8(1) of the amending Act) by [Finance Act 2014 \(c. 26\)](#), [Sch. 7 paras. 6\(3\)\(a\)](#), 8(3)
- F3** Words in s. 158(1)(c) inserted (with effect in accordance with art. 1(2) of the amending S.I.) by [The Pension Schemes \(Miscellaneous Amendments\) Order 2013 \(S.I. 2013/1114\)](#), arts. 1(1), [2\(2\)](#)
- F4** Word in s. 158(1)(d) substituted (with effect in accordance with Sch. 7 para. 8(1) of the amending Act) by [Finance Act 2014 \(c. 26\)](#), [Sch. 7 paras. 6\(2\)\(b\)](#), 8(2)
- F5** S. 158(1)(da)(db) inserted (with effect in accordance with Sch. 7 para. 8(1) of the amending Act) by [Finance Act 2014 \(c. 26\)](#), [Sch. 7 paras. 6\(2\)\(c\)](#), 8(2)
- F6** S. 158(1)(e)(ea) substituted for s. 158(1)(e) (with effect in accordance with Sch. 7 para. 8(1) of the amending Act) by [Finance Act 2014 \(c. 26\)](#), [Sch. 7 paras. 6\(2\)\(d\)](#), 8(2)
- F7** Words in s. 158(1)(ea) inserted (1.9.2014) (with effect in accordance with Sch. 7 para. 8(1) of the amending Act) by [Finance Act 2014 \(c. 26\)](#), [Sch. 7 paras. 6\(3\)\(b\)](#), 8(3)
- F8** S. 158(1)(g)(h) and word inserted (15.3.2018 for specified purposes, 6.4.2018 in so far as not already in force) by [Finance Act 2018 \(c. 3\)](#), [Sch. 3 paras. 1\(4\)](#), 2(1)(b)(2)(b)(3)
- F9** Words in s. 158(5) inserted (with effect in accordance with art. 1(2) of the amending S.I.) by [The Pension Schemes \(Miscellaneous Amendments\) Order 2013 \(S.I. 2013/1114\)](#), arts. 1(1), [2\(3\)](#)
- F10** S. 158(6)-(10) inserted (with effect in accordance with Sch. 7 para. 8(1) of the amending Act) by [Finance Act 2014 \(c. 26\)](#), [Sch. 7 paras. 6\(4\)](#), 8(2)

**Changes to legislation:**

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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\(2\)](#)