



Finance Act 2004

2004 CHAPTER 12

PART 4

PENSION SCHEMES ETC

CHAPTER 3

PAYMENTS BY REGISTERED PENSION SCHEMES

Borrowing

184 Unauthorised borrowing: other arrangements

(1) A registered pension scheme is not authorised to borrow an amount in respect of any [^{F1}relevant arrangement] unless the scheme borrowing condition is met.

[^{F2}(1A) In this section “relevant arrangement” means an arrangement that—

- (a) is not a money purchase arrangement, or
- (b) is a collective money purchase arrangement.]

(2) The scheme borrowing condition is met if—

$$(APB + PB) < \frac{AARA}{2}$$

where—

APB is the aggregate of the amounts previously borrowed by the pension scheme in respect of [^{F3}relevant arrangements] (excluding any amounts which have been repaid),

PB is the amount proposed to be borrowed by the pension scheme, and

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AARA is the aggregate amount of the relevant sums and assets.

- (3) The aggregate amount of the relevant sums and assets is the aggregate of—
- (a) the amount of the sums held for the purposes of such of the arrangements under the pension scheme as are [^{F4}relevant arrangements], and
 - (b) the market value of the assets held for the purposes of such of the arrangements under the pension scheme as are [^{F5}relevant arrangements].

Textual Amendments

- F1** Words in s. 184(1) substituted (1.8.2022) by [Finance Act 2021 \(c. 26\)](#), [Sch. 5 paras. 8\(2\)](#), 25(1); S.I. 2022/874, reg. 2
- F2** S. 184(1A) inserted (1.8.2022) by [Finance Act 2021 \(c. 26\)](#), [Sch. 5 paras. 8\(3\)](#), 25(1); S.I. 2022/874, reg. 2
- F3** Words in s. 184(2) substituted (1.8.2022) by [Finance Act 2021 \(c. 26\)](#), [Sch. 5 paras. 8\(4\)](#), 25(1); S.I. 2022/874, reg. 2
- F4** Words in s. 184(3)(a) substituted (1.8.2022) by [Finance Act 2021 \(c. 26\)](#), [Sch. 5 paras. 8\(5\)](#), 25(1); S.I. 2022/874, reg. 2
- F5** Words in s. 184(3)(b) substituted (1.8.2022) by [Finance Act 2021 \(c. 26\)](#), [Sch. 5 paras. 8\(5\)](#), 25(1); S.I. 2022/874, reg. 2

Modifications etc. (not altering text)

- C16** Ss. 182-185 excluded (6.4.2006) by [The Pension Protection Fund \(Tax\) Regulations 2006 \(S.I. 2006/575\)](#), regs. 1, [16](#)

Commencement Information

- I1** 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\(2\)](#)