



Finance Act 2004

2004 CHAPTER 12

PART 4

PENSION SCHEMES ETC

CHAPTER 3

PAYMENTS BY REGISTERED PENSION SCHEMES

[^{F1}Repayments of lump sums

[^{F1}185J Effect of repayment of certain pre-6 April 2015 lump sums

- (1) For the purposes of this Part—
 - (a) a lump sum to which this section applies is treated as never having been paid, and
 - (b) the payment by which it is repaid is treated as not being a payment.
- (2) This section applies to a lump sum if—
 - (a) the sum is paid by a registered pension scheme to a member of the scheme in respect of a money purchase arrangement,
 - (b) the sum is paid to the member in connection with a pension under the scheme to which it is expected that the member will become entitled (“the expected pension”),
 - (c) the expected pension is income withdrawal, a lifetime annuity or a scheme pension,
 - (d) the sum is paid before the member becomes entitled to the expected pension,
 - (e) either—
 - (i) the sum is paid on or after 19 September 2013 but before 6 April 2015, or

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- (ii) the sum is paid before 19 September 2013, a contract for a lifetime annuity is entered into to provide the expected pension, and on or after 19 March 2014 the contract is cancelled,
 - (f) before the member becomes entitled to the expected pension, the member repays the sum to the pension scheme that paid it, and
 - (g) the repayment is made before 6 October 2015.
- (3) For the purposes of subsection (2), if the circumstances are as described in subsection (2)(e)(ii), the member is treated as not having become entitled to the expected pension as a result of the cancelled contract having been entered into.]

Textual Amendments

F1 S. 185J and cross-heading inserted (19.3.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 5 paras. 3, 15](#)

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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\(2\)](#)