



Finance Act 2004

2004 CHAPTER 12

PART 4

PENSION SCHEMES ETC

CHAPTER 5

REGISTERED PENSION SCHEMES: TAX CHARGES

Annual allowance charge

[^{F1}228ZB] Anti-avoidance in connection with section 228ZA

- (1) Subsection (5) applies if there are arrangements in respect of which conditions A to C are met.
- (2) Condition A is that it is reasonable to assume that the main purpose, or one of the main purposes, of the arrangements is to reduce the amount of the reduction under section 228ZA(1) in the individual's case—
 - (a) for the tax year, or
 - (b) for two or more tax years which include the tax year.
- (3) Condition B is that the arrangements involve either or both of the following—
 - (a) reducing the individual's adjusted income for the tax year, and
 - (b) reducing the individual's threshold income for the tax year.
- (4) Condition C is that the arrangements involve the reduction within subsection (3), or any of the reductions within subsection (3), being redressed by an increase in the individual's adjusted income, or threshold income, for a different tax year.
- (5) The reduction under section 228ZA(1) in the individual's case for the tax year is to be treated as being what it would be apart from the arrangements.
- (6) In subsection (2) “reduce” includes reduce to nil.

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- (7) The increase mentioned in subsection (4) may be an increase in what would be the individual's adjusted income, or threshold income, for the tax year 2015-16 if section 228ZA—
- (a) had effect for that year, and
 - (b) did so as if the total pension input amount mentioned in section 228ZA(4)(d)
 - (i) were the sum of the total pension input amounts for the pre-alignment and post-alignment tax years (see section 228C(2)).
- (8) In this section “arrangements” includes any agreement, understanding, scheme, transaction or series of transactions (whether or not legally enforceable).]

Textual Amendments

- F1** Ss. 228ZA, 228ZB inserted (with effect in accordance with Sch. 4 para. 10(2) of the amending Act) by [Finance \(No. 2\) Act 2015 \(c. 33\)](#), [Sch. 4 para. 10\(1\)](#)

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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\(2\)](#)