

SCHEDULES

SCHEDULE 7

PENSION COMPENSATION PROVISIONS

Pension benefits postponed at assessment date

- 7 (1) Compensation is payable in accordance with this paragraph where immediately before the assessment date—
- (a) a person is entitled to present payment of a lump sum under the admissible rules of the scheme (“the scheme lump sum”),
 - (b) payment of that lump sum is postponed, and
 - (c) he has attained normal pension age in relation to the lump sum.
- (2) That person is entitled to compensation in the form of a lump sum of an amount equal to 100% of the amount of the scheme lump sum which would have been payable had the postponement ceased immediately before the assessment date.
- (3) The compensation is payable at the assessment date.
- (4) Where the scheme lump sum is attributable (directly or indirectly) to a pension credit, the reference in sub-paragraph (1)(c) to “normal pension age” is to be read as a reference to “normal benefit age”.
- (5) This paragraph does not apply in relation to a lump sum to which a person is entitled by reason of commuting any part of a pension under the scheme.
- (6) This paragraph is subject to paragraph 30 (power of Secretary of State to change percentage rates by order).