

## **PENSIONS ACT 2008**

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### **EXPLANATORY NOTES**

#### **COMMENTARY ON SECTIONS**

***Section 105: State pension credit: extension of assessed income period for those aged 75 or over***

281. An assessed income period (AIP) is a specified period during which time the state pension credit customer does not need to report changes to his or her retirement provision. Currently the maximum length of an AIP is five years (except under transitional provisions).
282. *Subsection (2)* substitutes a new subsection (1) in section 9 of the State Pension Credit Act 2002 so that from 6 April 2009 claimants aged 75 or over will generally be given an indefinite AIP. Exceptions to this general rule are set out in the following subsections of section 9 so that, for example, an indefinite AIP may be brought to an end early on the occurrence of certain circumstances, such as where the claimant ceases to be treated as a member of a couple.
283. Under *Subsection (4)* which inserts a new subsection (6) into section 9, if the claimant has an AIP of five years or more which expires when he or she is aged 80 or over then the AIP will also be extended indefinitely. Again, however, this indefinite AIP may be brought to an end early in certain circumstances. This provision is temporary as five years after its coming into force every AIP that has been set for a claimant over 80 will either be an indefinite AIP or will be under five years.