



# Finance Act 2010

## 2010 CHAPTER 13

### PART 2

#### ANTI-AVOIDANCE AND REVENUE PROTECTION

##### *Pensions*

#### **48 Extension of special annual allowance charge**

(1) Schedule 35 to FA 2009 (special annual allowance charge) is amended as follows.

(2) In paragraph 1(2) (high-income individual)—

- (a) in the first sentence, for “£150,000” substitute “ £130,000 ”, and
- (b) insert at the end—

“Paragraph 16A makes special provision about cases in which the individual's relevant income for the tax year 2009-10 is less than £150,000.”

(3) In paragraph 2 (calculation of relevant income)—

- (a) in the last sentence of sub-paragraph (1),
- (b) in sub-paragraph (2) (in each place), and
- (c) in sub-paragraph (3) (in both places),

for “£150,000” substitute “ £130,000 ”.

(4) After sub-paragraph (5) of that paragraph insert—

“(5A) If—

- (a) the individual's relevant income for the tax year (whether that is the tax year 2009-10 or a later tax year) would (apart from this sub-paragraph) be less than £130,000 if the reference in sub-paragraph (5) to a scheme made on or after 22 April 2009 were to a scheme made on or after 9 December 2009, and

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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2010, Cross Heading: Pensions. (See end of Document for details)*

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(b) the individual's relevant income for the tax year 2009-10 is less than £150,000,  
the individual's relevant income for the tax year is to be assumed to be less than £130,000.”

(5) In paragraph 11(3)(b), after “22 April” insert “ 2009 ”.

(6) After paragraph 16 insert—

**16A “Individuals with relevant income below £150,000 in 2009-10**

(1) This paragraph has effect if the individual's relevant income for the tax year 2009-10 is less than £150,000.

(2) References in this Schedule to a pre-22 April 2009 pension input amount are to a pre-9 December 2009 pension input amount.

(3) References in this Schedule to noon on 22 April 2009 are to 9 December 2009.

(4) Other references in this Schedule to 22 April 2009 (except in paragraph 2) are to 9 December 2009.

(5) The reference in paragraph 16(2) to 21 April 2009 is to 8 December 2009.

(6) If the amount arrived at in the case of the individual under sub-paragraph (1) of paragraph 2 for the tax year 2009-10 is less than £150,000, take the steps in that sub-paragraph in relation to the tax year 2007-08 and the tax year 2008-09.

If the result is £150,000 or more for either or both of those earlier tax years the individual's relevant income for the tax year 2009-10 is to be assumed for the purposes of sub-paragraph (1) to be £150,000.

(7) If there is a scheme the main purpose, or one of the main purposes, of which is to secure that the individual's relevant income for the tax year 2009-10 is less than £150,000, it is to be assumed for the purposes of sub-paragraph (1) to be £150,000.”

(7) The amendments made by this section have effect for the tax year 2009-10 and subsequent tax years (but see paragraph 21(2) of Schedule 35 to FA 2009).

**49 Information**

In section 251(5) of FA 2004 (persons who can be required to provide information to scheme administrators etc), after paragraph (a) insert—

“(aa) employers of members of a registered pension scheme,”.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2010, Cross Heading:  
Pensions.