

Changes to legislation: Finance Act 2011, Cross Heading: Exemption from income tax of certain lump sums and lump sum death benefits is up to date with all changes known to be in force on or before 20 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

SCHEDULES

SCHEDULE 16

BENEFITS UNDER PENSION SCHEMES

PART 1

CHANGES TO BENEFITS AVAILABLE UNDER PENSION SCHEMES ETC

Exemption from income tax of certain lump sums and lump sum death benefits

- 42 (1) Section 636A of ITEPA 2003 (exemption for certain lump sums under registered pension schemes) is amended as follows.
- (2) In subsection (1)—
- (a) in paragraph (b), after “serious ill-health lump sum” insert “paid to a member who has not reached the age of 75”;
 - ^{F1}(b)
 - ^{F2}(c)
- ^{F3}(3)
- ^{F4}(4)
- (5) In subsection (7)—
- (a) after ““defined benefits lump sum death benefit”,” insert—
““drawdown pension fund lump sum death benefit”,”;
 - (b) after ““pension protection lump sum death benefit”,” insert “and”;
 - (c) omit ““unsecured pension fund lump sum death benefit”,” (and the “and” before it).

Textual Amendments

- F1** Sch. 16 para. 42(2)(b) omitted (with effect in accordance with s. 22(12) of the amending Act) by virtue of [Finance \(No. 2\) Act 2015 \(c. 33\), s. 22\(11\)\(a\)](#)
- F2** Sch. 16 para. 42(2)(c) omitted (with application in accordance with Sch. 2 para. 20 of the amending Act) by virtue of [Taxation of Pensions Act 2014 \(c. 30\), Sch. 2 para. 19\(4\)\(a\)](#)
- F3** [Sch. 16 para. 42\(3\)](#) omitted (with effect in accordance with Sch. 5 para. 4 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\), Sch. 5 para. 3\(3\)\(a\)](#)
- F4** Sch. 16 para. 42(4) omitted (with effect in accordance with s. 22(12) of the amending Act) by virtue of [Finance \(No. 2\) Act 2015 \(c. 33\), s. 22\(11\)\(a\)](#)

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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):

- Sch. 23 para. 45(1)(ia) inserted by [2017 c. 10 Sch. 11 para. 6\(3\)](#)
- Sch. 23 para. 2(1A) inserted by [S.I. 2019/397 reg. 2\(2\)](#) (This amendment not applied to legislation.gvo.uk. Amending Regulations revoked on IP completion day by S.I. 2020/1544, regs. 1, 8; S.I. 2020/1641, reg. 2, Sch.)
- Sch. 23 para. 15A inserted by [S.I. 2019/397 reg. 2\(3\)](#) (This amendment not applied to legislation.gvo.uk. Amending Regulations revoked on IP completion day by S.I. 2020/1544, regs. 1, 8; S.I. 2020/1641, reg. 2, Sch.)