



Finance Act 2013

2013 CHAPTER 29

PART 1

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 4

PENSIONS

52 Abolition of contracting out of state second pension: consequential amendments etc

- (1) FA 2004 is amended as follows.
- (2) In section 188 (relief for contributions), in subsection (3) (contributions excluded from relief), omit paragraph (c) and the word “and” immediately preceding that paragraph.
- (3) In that section, omit subsection (6) (which treats certain amounts recovered by individual's employer as contributions paid by individual).
- (4) Omit section 190(5) (certain reliefs not to count towards annual limit for relief).
- (5) Omit section 196(5) (references to contributions to include references to minimum payments when determining relief for employers).
- (6) Omit section 202 (minimum contributions under pensions legislation).
- (7) Omit section 233(2) (references to contributions not to include references to minimum payments when determining pension input amount).
- (8) In paragraph 5 of Schedule 29 (short service refund lump sum), after sub-paragraph (2) insert—
 - “(2A) In sub-paragraph (2) the reference to the member's contributions includes—

Changes to legislation: *There are currently no known outstanding effects for the Finance Act 2013, Section 52. (See end of Document for details)*

- (a) any amount paid under section 7 of the Social Security Act 1986 (incentive payments to schemes becoming contracted-out between 1986 and 1993),
 - (b) any amount paid by the Commissioners for Her Majesty's Revenue and Customs under section 42A(3) of the Pension Schemes Act 1993 or section 38A(3) of the Pension Schemes (Northern Ireland) Act 1993 (rebates), and
 - (c) any amount recovered by the member's employer under regulations falling within sub-paragraph (2B) in respect of minimum payments made to the scheme in relation to any period before 6 April 2012.
- (2B) Those regulations are regulations which were made under—
- (a) section 8(3) of the Pension Schemes Act 1993 (recovery of minimum payments), or
 - (b) section 4(3) of the Pension Schemes (Northern Ireland) Act 1993 (corresponding provision for Northern Ireland).”
- (9) Omit paragraph 14(2) of Schedule 36 (which excludes minimum payments from being relevant contributions for the purposes of enhanced protection from lifetime allowance charge).
- (10) Subsections (1), (3) to (5) and (7) to (9) come into force on 6 April 2013.
- (11) Subsection (2) comes into force on 6 April 2015.
- (12) Subsection (6) comes into force on 6 April 2016, except that the repeal of section 202(5) of FA 2004 comes into force on such day as the Treasury may appoint by order made by statutory instrument.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2013, Section 52.