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STATUTORY INSTRUMENTS

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**2005 No. 437**

**The Armed Forces Early Departure  
Payments Scheme Order 2005**

*Interpretation etc.*

**Adjustments for inflation in determining final relevant earnings**

7.—(1) For the purpose of determining a person's final relevant earnings under article 6, the amount of relevant earnings, as determined in accordance with article 6, for any day falling in a tax year earlier than the tax year in which his relevant service ends is adjusted for inflation.

(2) The reference in paragraph (1) to adjusting for inflation the amount of relevant earnings for a day are to increasing it by the same amount as that by which an annual pension of an amount equal to those earnings would have been increased under the Pensions (Increase) Act 1971(1) on the day following that on which the member's relevant service ends if the pension—

- (a) were eligible to be so increased, and
- (b) had come into payment on the first day of the next tax year after the tax year in which the day falls.