

# FINANCE ACT 2010

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## EXPLANATORY NOTES

### INTRODUCTION

#### *Section 23 Schedule 2: Pensions: High Income Excess Relief Charge*

##### **Details of the Schedule**

##### New section 213L Age-related factors

60. New section 213L(1) provides a power to set the age-related factors by regulations.
61. New section 213L(2) provides for there to be different types of age-related factors.
62. New section 213L(3) provides that the age-related factors to be used are those appropriate to the individual as set out in regulations.
63. New section 213L(4) provides that the age-related factors must be set by reference to the individual's age at the end of the tax year and their relevant normal pension age.
64. New section 213L(5) and (6) provide for the time which the age-related factors should be set by reference to.
65. New section 213L(7) set out parameters for varying the age-related factors.
66. New section 213L(8) and (9) provide for the Treasury to take account of advice from the Government Actuary or their Deputy when setting the age-related factors.
67. New section 213L(10) sets the frequency of reviews of the age-related factors as occurring at intervals of no longer than five years.
68. New section 213L(11), (12) and (13) define normal pension age by reference to an individual being a deferred member of the scheme (or would be, where there is more than one arrangement, if the particular arrangement under consideration were the only arrangement under the scheme) and provide a power to modify it through regulations.