
STATUTORY INSTRUMENTS

2007 No. 1749

The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2007

Amendment of the Income Support (General) Regulations 1987

- 2.—(1) The Income Support (General) Regulations 1987(1) are amended as follows.
- (2) In regulation 2(1) (interpretation)—
- (a) in the definition of “pension fund holder”(2)—
 - (i) for “retirement annuity contract” substitute “an occupational pension scheme”;
 - (ii) omit “or contract”;
 - (b) for the definition of “personal pension scheme”(3), substitute—
 - “personal pension scheme” means—
 - (a) a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993(4);
 - (b) an annuity contract or trust scheme approved under section 620 or 621 of the Income and Corporation Taxes Act 1988(5) or a substituted contract within the meaning of section 622(3) of that Act which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(f) of Schedule 36 to the Finance Act 2004;
 - (c) a personal pension scheme approved under Chapter 4 of Part 14 of the Income and Corporation Taxes Act 1988 which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(g) of Schedule 36 to the Finance Act 2004;”;
 - (c) omit the definition of “retirement annuity contract”(6);
 - (d) in the definition of “war widower’s pension”(7), for “section 315(2)(e) of the Income and Corporation Taxes Act 1988” substitute “section 641(1)(e) or (f) of the Income Tax (Earnings and Pensions) Act 2003(8)”.
 - (3) In regulation 38 (calculation of net profit of self-employed earners)(9), in paragraphs (1)(b)(ii), (3)(c) and (9)(b) omit “a retirement annuity contract or”.
 - (4) In regulation 39(1) (deduction of tax and contributions for self-employed earners)(10)—
 - (a) for “personal relief” in each place substitute “personal allowance”;

(1) S.I. 1987/1967.

(2) This definition was inserted by S.I.1995/2303.

(3) This definition was inserted by S.I. 1993/2119 and was amended by S.I. 1995/2303.

(4) 1993 c.48.

(5) 1988 c.1. Sections 620 to 622 were repealed by the Finance Act 2004 (c.12).

(6) This definition was inserted by S.I. 1995/2303.

(7) This definition was inserted by S.I. 2002/841 and was amended by S.I. 2005/2877.

(8) 2003 c.1.

(9) Relevant amending instruments are S.I.s 1993/2119 and 1994/2139.

(10) Relevant amending instruments are S.I.s 1992/2155 and 1994/2139.

- (b) for “sections 8(1) and (2) and 14(1)(a) and (2) of the Income and Corporation Taxes Act 1970” substitute “section 257(1) of the Income and Corporation Taxes Act 1988”.
- (5) In regulation 39D (deduction in respect of tax for participants in the self-employment route)(**11**)—
- (a) for paragraph (1)(b) substitute—
- “(b) the personal allowance applicable to the person receiving assistance under the self-employment route by virtue of section 257(1) of the Income and Corporation Taxes Act 1988 (personal allowance) is allowable against that income;”;
- (b) in paragraph (2), for “personal relief” substitute “personal allowance”.
- (6) In regulation 42 (notional income)(**12**)—
- (a) in paragraph (2)(g), omit “, retirement annuity contract”;
- (b) in paragraph (2ZA)(a), omit “, a retirement annuity contract”;
- (c) for paragraph (2A), substitute—
- “(2A) This paragraph applies where a person aged not less than 60—
- (a) is entitled to money purchase benefits under an occupational pension scheme or a personal pension scheme;
- (b) fails to purchase an annuity with the funds available in that scheme; and
- (c) either—
- (i) defers in whole or in part the payment of any income which would have been payable to him by his pension fund holder, or
- (ii) fails to take any necessary action to secure that the whole of any income which would be payable to him by his pension fund holder upon his applying for it, is so paid, or
- (iii) income withdrawal is not available to him under that scheme.
- (2AA) Where paragraph (2A) applies, the amount of any income foregone shall be treated as possessed by that person, but only from the date on which it could be expected to be acquired were an application for it to be made.”;
- (d) in paragraph (2B), for “to which either head (2A)(a)(i) or (ii)” substitute “where paragraph (2A)(c)(i) or (ii)”;
- (e) in paragraph (2C)—
- (i) for “to which either head (2A)(a)(iii) or sub-paragraph (2A)(b)” substitute “where paragraph (2A)(c)(iii)”;
- (ii) omit “or retirement annuity contract”;
- (f) in paragraph (8)(a)—
- (i) for “personal relief” in each place substitute “personal allowance”;
- (ii) for “sections 8(1) and (2) and 14(1)(a) and (2) of the Income and Corporation Taxes Act 1970” substitute “section 257(1) of the Income and Corporation Taxes Act 1988”.
- (7) In regulation 51(2)(d) (notional capital)(**13**), omit “or retirement annuity contract”.

(11) Regulation 39D was inserted by [S.I. 1998/1174](#) and amended by [S.I. 2000/2910](#).

(12) Relevant amending instruments are S.I.s [1992/2155](#), [1994/2139](#), [1995/2303](#), [2002/3019](#), [2005/2465](#) and [2006/588](#).

(13) Relevant amending instrument is [S.I. 1995/2303](#).

(8) In paragraph 23A of Schedule 10 (capital to be disregarded)(14), omit “or retirement annuity contract”.