



2008 CHAPTER 1

PART 1

STATE PENSION

Additional pension: simplification of accrual rates

Additional pension: removal of accrual band from 2010–11

8.—(1) Schedule 4A to the Contributions and Benefits Act (additional pension) is amended as follows.

(2) In Part 2 (surplus earnings factor) in paragraph 2 (calculation of amount where there is a surplus in pensioner’s earnings factor)—

- (a) in sub-paragraph (4) after “2009” insert “where the tax year concerned falls before 2010–11”;
- (b) after sub-paragraph (4) insert—

“(4A) The appropriate table for persons attaining pensionable age on or after 6th April 2009 where the tax year concerned is 2010–11 or a subsequent tax year is as follows—

TABLE 2A

<i>Amount of surplus</i>		<i>Percentage</i>
Band 1.	Not exceeding LET	40
Band 2.	Exceeding LET but not exceeding AUEL	10”;

- (c) in sub-paragraph (6) (interpretation) after paragraph (c) add—

“(d) “AUEL” means the amount equal to the upper earnings limit for the tax year concerned multiplied by 52.”.

(3) In Part 3 (contracted-out employment) in paragraph 5 (calculation of amount A)—

(a) in sub-paragraph (4) after “2009” insert “where the tax year concerned falls before 2010–11”;

(b) after sub-paragraph (4) insert—

“(4A) The appropriate table for persons attaining pensionable age on or after 6th April 2009 where the tax year concerned is 2010–11 or a subsequent tax year is as follows—

TABLE 4A

<i>Amount of surplus</i>		<i>Percentage</i>
Band 1.	Not exceeding LET	40
Band 2.	Exceeding LET but not exceeding AUEL	10”.

(4) In paragraph 7 (calculation of amount B second case)—

(a) in sub-paragraph (4) after “2009” insert “where the tax year concerned falls before 2010–11”;

(b) after sub-paragraph (4) insert—

“(4A) The appropriate table for persons attaining pensionable age on or after 6th April 2009 where the tax year concerned is 2010–11 or a subsequent tax year is as follows—

TABLE 6A

<i>Amount of surplus</i>		<i>Percentage</i>
Band 1.	Not exceeding LET	40
Band 2.	Exceeding LET but not exceeding AUEL	10”.

(5) In paragraph 8, in sub-paragraph (4) (interpretation) after paragraph (c) add—

“(d) “AUEL” means the amount equal to the upper earnings limit for the tax year concerned multiplied by 52.”.

(6) For the heading for that Schedule substitute “ADDITIONAL PENSION: ACCRUAL RATES FOR PURPOSES OF SECTION 45(2)(c)”.