

1990 No. 204

SOCIAL SECURITY

The Personal and Occupational Pension Schemes (Perpetuities) Regulations (Northern Ireland) 1990

Made 1st June 1990

Coming into operation 27th June 1990

The Department of Health and Social Services, in exercise of the powers conferred on it by Article 65(2) to (5) of the Social Security Pensions (Northern Ireland) Order 1975(a) and of all other powers enabling it in that behalf, hereby makes the following regulations:

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Personal and Occupational Pension Schemes (Perpetuities) Regulations (Northern Ireland) 1990 and shall come into operation on 27th June 1990.

(2) In these regulations “the Taxes Act” means the Income and Corporation Taxes Act 1988(b).

(3) Any reference in these regulations to a numbered Article is to the Article of the Social Security Pensions (Northern Ireland) Order 1975 bearing that number and any reference to a numbered section is to the section of the Taxes Act bearing that number.

Occupational pension schemes that qualify under Article 65

2.—(1) An occupational pension scheme qualifies under Article 65 at any time when it satisfies the requirements of any of paragraphs (2) to (6).

(2) This paragraph requires the scheme to be a superannuation fund to which exemption from income tax is allowed under section 608.

(3) This paragraph requires the scheme to be a superannuation fund to which the Inland Revenue give relief from income tax under section 614(5).

(4) This paragraph requires the scheme to be a trust scheme approved by the Inland Revenue for the purposes of section 620(5).

(5) This paragraph requires the scheme, or part of the scheme, to be a retirement benefits scheme approved by the Inland Revenue for the purposes of Chapter I of Part XIV of the Taxes Act. Where an application for approval of the scheme or part of the scheme has been made under section 604, the

(a) S.I. 1975/1503 (N.I. 15); by virtue of Article 2(3), definitions in Schedule 17 to the Social Security (Northern Ireland) Act 1975 (c. 15) apply to the exercise of certain powers conferred under this Order. Article 65(2) and (5) was amended by paragraph 21 of Schedule 9 to the Social Security (Northern Ireland) Order 1986 (S.I. 1986/1888 (N.I. 18))

(b) 1988 c. 1

scheme will be treated as satisfying the requirements of this paragraph for so long as the application is not withdrawn or refused and the Inland Revenue have not told the applicant that they believe the application has been dropped.

(6) This paragraph requires the scheme to be a retirement benefits scheme and the Inland Revenue to be satisfied, under section 596(2)(b), that the scheme corresponds to a scheme approved by the Inland Revenue for the purposes of Chapter I of Part XIV of the Taxes Act.

Personal pension schemes that qualify under Article 65

3. A personal pension scheme qualifies under Article 65 at any time when it is approved by the Inland Revenue for the purposes of Chapter IV of Part XIV of the Taxes Act. Where an application for approval of the scheme has been made under section 631, the scheme will be treated as satisfying the requirements of this regulation for so long as the application is not withdrawn or refused and the Inland Revenue have not told the applicant that they believe the application has been dropped.

Schemes that cease to qualify under Article 65

4. An occupational pension scheme that ceases to be contracted-out or to satisfy the requirements of any of paragraphs (2) to (6) of regulation 2, and a personal pension scheme that ceases to be an appropriate scheme or to satisfy the requirements of regulation 3, will nevertheless be treated as continuing to qualify under Article 65 for a further period of 2 years from the cesser, or for such longer period as the Occupational Pensions Board consider reasonable in the case of the particular scheme.

Revocation of the Occupational Pension Schemes (Perpetuities) Regulations (Northern Ireland) 1976

5. The Occupational Pension Schemes (Perpetuities) Regulations (Northern Ireland) 1976(a) are hereby revoked.

Sealed with the Official Seal of the Department of Health and Social Services on 1st June 1990.

(L.S.)

A. N. Burns

Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These regulations replace the Occupational Pension Schemes (Perpetuities) Regulations (Northern Ireland) 1976.

Regulations 2 and 3 set out the requirements for occupational and personal pension schemes to be exempt from the operation of any rules of law relating to perpetuities. Public service pension schemes, contracted-out occupational pension schemes and appropriate personal pension schemes are exempted by Article 65(2) of the Social Security Pensions (Northern Ireland) Order 1975 ("the Pensions Order") whether or not they satisfy these requirements.

Regulation 4 says that schemes that would otherwise cease to be exempt from the rules of law relating to perpetuities on ceasing to satisfy the requirements of Article 65(2) of the Pensions Order will continue to be treated as exempt for a further period of 2 years or such longer period as the Occupational Pensions Board consider reasonable.

Regulation 5 contains a revocation.