



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART XIV

PENSION SCHEMES, SOCIAL SECURITY BENEFITS, LIFE ANNUITIES ETC.

CHAPTER IV

PERSONAL PENSION SCHEMES

Preliminary

630 Interpretation.

[^{F1}(1)] ^{M1}In this Chapter—

“approved”—

- (a) in relation to a scheme, means approved by the Board under this Chapter; and
- (b) in relation to arrangements, means made in accordance with a scheme which is for the time being, and was when the arrangements were made, an approved scheme;

but does not refer to cases in which approval has been withdrawn;

[^{F2}“authorised insurance company” has the meaning given by section 659B;]

[^{F3}“income withdrawal” means a payment of income, under arrangements made in accordance with a personal pension scheme, otherwise than by way of an annuity;]

“member”, in relation to a personal pension scheme, means an individual who makes arrangements in accordance with the scheme;

[^{F4}“pension date”, in relation to any personal pension arrangements, means the date determined in accordance with the arrangements on which—

- (a) an annuity such as is mentioned in section 634 is first payable, or

Status: Point in time view as at 01/05/1995. This version of this cross heading contains provisions that are not valid for this point in time.

Changes to legislation: Income and Corporation Taxes Act 1988, Cross Heading: Preliminary is up to date with all changes known to be in force on or before 15 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

(b) the member elects to defer the purchase of such an annuity and to make income withdrawals in accordance with section 634A;]

“personal pension arrangements” means arrangements made by an individual in accordance with a personal pension scheme;

“personal pension scheme” means a scheme whose sole purpose is the provision of annuities [^{F5}, income withdrawals] or lump sums under arrangements made by individuals in accordance with the scheme;

“scheme administrator” means the person referred to in section 638(1);

[^{F6}and references to an employee or to an employer include references to the holder of an office or to the person under whom an office is held.]

[^{F7}(2) For the purposes of this Chapter the annual amount of the annuity which would have been purchasable by a person on any date shall be calculated by reference to—

- (a) the value on that date, determined by or on behalf of the scheme administrator, of the fund from which income withdrawals are to be or have been made by him under the arrangements in question, and
- (b) the current published tables of rates of annuities prepared for the purposes of this Chapter by the Government Actuary.

(3) The reference in subsection (2)(a) above to the value of the fund from which income withdrawals are to be or have been made under any personal pension arrangements is to the value of the accrued rights to which the person concerned is entitled conferring prospective entitlement to benefits under those arrangements.

Where a lump sum falls to be paid on the date in question, the reference is to the value of the fund after allowing for that payment.

(4) The Board may make provision by regulations as to the basis on which the tables mentioned in subsection (2)(b) above are to be prepared and the manner in which they are to be applied.]

Textual Amendments

- F1** S. 630 renumbered as s. 630(1) (with effect in accordance with Sch. 11 para. 1 of the amending Act) by virtue of Finance Act 1995 (c. 4), Sch. 11 para. 2(2)
- F2** S. 630(1): definition of "authorised insurance company" substituted (with effect in accordance with s. 60(3) of the amending Act) by Finance Act 1995 (c. 4), s. 59(4)
- F3** S. 630(1): definition of "income withdrawal" inserted (with effect in accordance with Sch. 11 para. 1 of the amending Act) by Finance Act 1995 (c. 4), Sch. 11 para. 2(2)
- F4** S. 630(1): definition of "pension date" inserted (with effect in accordance with Sch. 11 para. 1 of the amending Act) by Finance Act 1995 (c. 4), Sch. 11 para. 2(2)
- F5** S. 630(1): words in definition of "personal pension scheme" inserted (with effect in accordance with Sch. 11 para. 1 of the amending Act) by Finance Act 1995 (c. 4), Sch. 11 para. 2(2)
- F6** 1988(F) s.55(1)—from 1 July 1988.
- F7** S. 630(2)-(4) inserted (with effect in accordance with Sch. 11 para. 1 of the amending Act) by Finance Act 1995 (c. 4), Sch. 11 para. 2(3)

Marginal Citations

- M1** Source-1987 (No.2) s.18

Status: Point in time view as at 01/05/1995. This version of this cross heading contains provisions that are not valid for this point in time.

Changes to legislation: Income and Corporation Taxes Act 1988, Cross Heading: Preliminary is up to date with all changes known to be in force on or before 15 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

631 Approval of schemes.

- ^{M2}(1) An application to the Board for their approval of a personal pension scheme shall be in such form, shall contain such information, and shall be accompanied by such documents, in such form, as the Board may prescribe.
- (2) The Board may at their discretion grant or refuse an application for approval of a personal pension scheme, but their discretion shall be subject to the restrictions set out in sections 632 to 638.
- (3) The Board shall give notice to the applicant of the grant or refusal of an application; and in the case of a refusal the notice shall state the grounds for the refusal.
- (4) If an amendment is made to an approved scheme without being approved by the Board, their approval of the scheme shall cease to have effect.

Modifications etc. (not altering text)

- C1** See S.I. 1987 No.1765 (in Part III Vol.5) for regulations governing the provisional approval of schemes where application is made before 10 August 1989.

Marginal Citations

- M2** Source-1987 (No.2) s.19

VALID FROM 28/07/2000

^{F8}631A Conversion of certain approved retirement benefits schemes.

Schedule 23ZA to this Act (which makes provision for or in connection with the conversion of certain retirement benefits schemes approved under Chapter I of this Part into personal pension schemes approved under this Chapter) shall have effect.]

Textual Amendments

- F8** S. 631A inserted (28.7.2000) by Finance Act 2000 (c. 17), Sch. 13 para. 7 (with Sch. 13 Pt. 2)

Status:

Point in time view as at 01/05/1995. This version of this cross heading contains provisions that are not valid for this point in time.

Changes to legislation:

Income and Corporation Taxes Act 1988, Cross Heading: Preliminary is up to date with all changes known to be in force on or before 15 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.