



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART XIV **U.K.**

PENSION SCHEMES, SOCIAL SECURITY BENEFITS, LIFE ANNUITIES ETC.

CHAPTER IV **U.K.**

PERSONAL PENSION SCHEMES

Tax reliefs

639 Member's contributions. **U.K.**

- (1) ^{M1}A contribution paid by an individual under approved personal pension arrangements made by him shall, subject to the provisions of this Chapter, be deducted from or set off against any relevant earnings of his for the year of assessment in which the payment is made.

Except where subsections (2) to (4) below apply, relief under this subsection in respect of a contribution shall be given only on a claim made for the purpose.

- (2) ^{M2}In such cases and subject to such conditions as the Board may prescribe in regulations, relief under subsection (1) above shall be given in accordance with subsections (3) and (4) below.
- (3) An individual who is entitled to such relief in respect of a contribution may deduct from the contribution when he pays it, and may retain, an amount equal to income tax at the basic rate on the contribution.
- (4) The scheme administrator—
- (a) shall accept the amount paid after the deduction in discharge of the individual's liability to the same extent as if the deduction had not been made; and
 - (b) may recover an amount equal to the deduction from the Board.

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- (5) Regulations under this section may make provision for carrying subsections (3) and (4) above into effect and, without prejudice to the generality of that, may provide—
- (a) for the manner in which claims for the recovery of a sum under subsection (4) (b) may be made;
 - (b) for the giving of such information, in such form, as may be prescribed by or under the regulations;
 - (c) for the inspection by persons authorised by the Board of books, documents and other records.
- (6) ^{M3}Where relief under this section for any year of assessment is claimed and allowed (whether or not it then falls to be given for that year), and afterwards an assessment, alteration of an assessment, or other adjustment of the claimant's liability to tax is made, there shall also be made such consequential adjustments in the relief allowed or given under this section for that or any subsequent year as are appropriate.
- (7) ^{M4}Where relief under this section is claimed and allowed for any year of assessment in respect of a contribution, relief shall not be given in respect of it under any other provision of the Income Tax Acts for the same or any subsequent year, nor (in the case of a contribution under an annuity contract) in respect of any other premium or consideration for an annuity under the same contract.
- (8) References in the Income Tax Acts to relief in respect of life assurance premiums shall not be taken to include relief under this section.

Modifications etc. (not altering text)

- C1** For regulations see Part III Vol.5 (under "Personal pension schemes").

Marginal Citations

- M1** Source-1987 (No.2) s.31, 46
M2 Source-1987 (No.2) s.45
M3 Source-1987 (No.2) s.48
M4 Source-1987 (No.2) s.49

640 Maximum amount of deductions. U.K.

- ^{M5}(1) The maximum amount that may be deducted or set off in any year of assessment by virtue of section 639(1) shall be 17.5 per cent. of the individual's net relevant earnings for that year.
- (2) In the case of an individual whose age at the beginning of the year of assessment is within a range specified in the first column of the following table, subsection (1) above shall have effect with the substitution for 17.5 per cent. of the relevant percentage specified in the second column.

I F1	20 per cent.
36 to 45	
46 to 50	25 per cent.

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51 to 55	30 per cent.
56 to 60	35 per cent.
61 or more	40 per cent.]

- (3) Without prejudice to subsection (1) above, the maximum amount that may be deducted or set off in any year of assessment in respect of contributions paid by an individual to secure benefits satisfying the conditions in [^{F2}section 637] shall be 5 per cent. of the individual's net relevant earnings for that year.
- (4) Where personal pension arrangements are made by an employee whose employer makes contributions under the arrangements, the maximum amount that may be deducted or set off in any year of assessment shall be reduced by the amount of the employer's contributions in the year.
- (5) Any minimum contributions treated by virtue of section 649(3) as paid by the individual in respect of whom they are paid shall be disregarded for the purposes of this section.

Textual Amendments

- F1** 1989 s.77 and Sch.7 para.3 for 1989-90 and subsequent years. Previously "51 to 55—20 per cent., 56 to 60—22.5 per cent., 61 or more—27.5 per cent."
- F2** Words in s. 640(3) substituted (1.5.1995) by Finance Act 1995 (c. 4), Sch. 11 para. 10

Marginal Citations

- M5** Source-1987 (No.2) s.32

[^{F3}640A Earnings cap. U.K.]

- (1) In arriving at an individual's net relevant earnings for a year of assessment for the purposes of section 640 above, any excess of what would be his net relevant earnings for the year (apart from this subsection) over the allowable maximum for the year shall be disregarded.
- (2) In subsection (1) above "the allowable maximum" means, as regards a particular year of assessment, the figure found for that year by virtue of subsections (3) and (4) below.
- (3) For the year of assessment 1989-90 the figure is £60,000.
- (4) For the year of assessment 1990-91 and any subsequent year of assessment the figure is the figure found for that year, for the purposes of section 590C, by virtue of section 590C(4) [^{F4}to (5A)].]

Textual Amendments

- F3** S. 640A inserted (with effect in accordance with Sch. 7 para. 4(2) of the amending Act) by Finance Act 1989 (c. 26), Sch. 7 para. 4(1)
- F4** Words in s. 640A(4) substituted (27.7.1993 with effect for 1994-95 and subsequent years of assessment) by 1993 c. 34, s. 107(6)(8)

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641 Carry-back of contributions. **U.K.**

- ^{M6}(1) An individual who pays a contribution under approved personal pension arrangements in a year of assessment (whether or not a year for which he has relevant earnings) may elect that the contribution, or part of it, shall be treated as paid—
- (a) in the year of assessment preceding that year; or
 - (b) if he had no net relevant earnings in that preceding year of assessment, in the year of assessment before that.
- (2) ^{F5}
- (3) Subject to section 655(2), references in subsection (2) above to an amount of unused relief attributable to the earnings mentioned in subsection (2)(a) are to an amount which could have been deducted from or set off against those earnings under section 639(1) if—
- (a) the individual had paid contributions under approved personal pension arrangements in the year of assessment for which he has the earnings; or
 - (b) any such contributions paid by him in that year had been greater.
- (4) An election under this section must be made [^{F6}on or before the 31st January next following] the year of assessment in which the contributions treated as paid in another year are actually paid.
- (5) Where an election is made under this section in respect of a contribution or part of a contribution, the other provisions of this Chapter shall have effect as if the contribution or part had been paid in the year specified in the election and not in the year in which it was actually paid.

Textual Amendments

- F5** S. 641(2) repealed (with effect in accordance with s. 228(4) of the repealing Act) by [Finance Act 1994 \(c. 9\)](#), s. 228(2)(b), [Sch. 26 Pt. 5\(25\)](#), Note 1
- F6** Words in s. 641(4) substituted (with effect in accordance with s. 135(2) of the amending Act) by [Finance Act 1996 \(c. 8\)](#), [Sch. 21 para. 18](#)

Marginal Citations

- M6** Source-1987 (No.2) s.33

VALID FROM 28/07/2000

[^{F7}641A Election for contributions to be treated as paid in previous year. **U.K.**

- (1) A person who pays a contribution under approved personal pension arrangements on or before the 31st January in any year of assessment may, at or before the time when he pays the contribution, irrevocably elect that the contribution, or part of it, shall be treated as paid in the preceding year of assessment.
- (2) Where an election is made under this section in respect of a contribution or part of a contribution, the other provisions of this Chapter shall have effect as if the contribution or part had been paid in the year specified in the election and not in the year in which it was actually paid.]

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Textual Amendments

- F7** S. 641A inserted (with effect in accordance with Sch. 13 para. 18(2) of the amending Act) by Finance Act 2000 (c. 17), Sch. 13 para. 18(1) (with Sch. 13 Pt. 2)

642 Carry-forward of relief. **U.K.**

^{M7}(1) Where—

- (a) for any year of assessment an individual has relevant earnings from any trade, profession, vocation, office or employment carried on or held by him, and
- (b) there is an amount of unused relief for that year,

relief may be given under section 639(1), up to the amount of the unused relief, in respect of so much of any contributions paid by him under approved personal pension arrangements in any of the next six years of assessment as exceeds the maximum applying for that year under section 640.

(2) In this section, references to an amount of unused relief for any year are to an amount which could have been deducted from or set off against the individual's relevant earnings for that year under section 639(1) if—

- (a) the individual had paid contributions under approved personal pension arrangements in that year; or
- (b) any such contributions paid by him in that year had been greater.

(3) Relief by virtue of this section shall be given for an earlier year rather than a later year, the unused relief taken into account in giving relief for any year being deducted from that available for giving relief in subsequent years and unused relief derived from an earlier year being exhausted before unused relief derived from a later year.

(4) Where a relevant assessment to tax in respect of a year of assessment becomes final and conclusive more than six years after the end of that year and there is an amount of unused relief for that year which results from the making of the assessment—

- (a) that amount shall not be available for giving relief by virtue of this section for any of the six years following that year; but
- (b) the individual may, within the period of six months beginning with the date on which the assessment becomes final and conclusive, elect that relief shall be given under section 639(1), up to that amount, in respect of so much of any contributions paid by him under approved personal pension arrangements within that period as exceeds the maximum applying under section 640 for the year of assessment in which they are paid;

and to the extent to which relief in respect of any contributions is given by virtue of this subsection it shall not be given by virtue of subsection (1) above.

(5) In this section “a relevant assessment to tax” means an assessment on the individual's relevant earnings or on the profits or gains of a partnership from which the individual derives relevant earnings.

Marginal Citations

- M7** Source-1987 (No.2) s.34

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643 Employer’s contributions and personal pension income etc. **U.K.**

- (1) ^{M8}Where contributions are paid by an employer under approved personal pension arrangements made by his employee, those contributions shall not be regarded as emoluments of the employment chargeable to tax under Schedule E.
- (2) ^{M9}Income derived by a person from investments or deposits held by him for the purposes of an approved personal pension scheme shall be exempt from income tax.
- (3) ^{M10}An annuity payable under approved personal pension arrangements shall be treated as earned income of the annuitant.
- (4) Subsection (3) above applies only in relation to the annuitant to whom the annuity is made payable by the terms of the arrangements.
- [^{F8}(5) Income withdrawals under approved personal pension arrangements shall be assessable to tax under Schedule E (and section 203 shall apply accordingly) and shall be treated as earned income of the recipient.]

Textual Amendments

F8 S. 643(5) inserted (1.5.1995) by Finance Act 1995 (c. 4), Sch. 11 para. 11

Marginal Citations

M8 Source-1987 (No.2) s.38

M9 Source-1987 (No.2) s.39(1)

M10 Source-1987 (No.2) s.41(1), (2)

644 Meaning of “relevant earnings”. **U.K.**

- ^{M11}(1) In this Chapter, “relevant earnings”, in relation to an individual, means any income of his which is chargeable to tax for the year of assessment in question and is within subsection (2) below.
- (2) Subject to subsections (3) to [^{F9}(6F)] below, income is within this subsection if it is—
 - (a) emoluments chargeable under Schedule E from an office or employment held by the individual;
 - (b) income from any property which is attached to or forms part of the emoluments of an office or employment held by him;
 - (c) income which is chargeable under Schedule D and is immediately derived by him from the carrying on or exercise by him of his trade, profession or vocation (either as an individual or as a partner acting personally in a partnership);
 - (d) income treated as earned income by virtue of section 529.
- (3) Where section 645 applies to an office or employment held by the individual, neither emoluments from the office or employment nor income from any property which is attached to it or forms part of its emoluments are within subsection (2) above.
- (4) The following are not income within subsection (2) above—
 - (a) anything in respect of which tax is chargeable under Schedule E and which arises from the acquisition or disposal of shares or an interest in shares or from a right to acquire shares;

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- (b) anything in respect of which tax is chargeable by virtue of section 148.
- (5) Emoluments of an individual as director of a company are not income within subsection (2) above if—
- (a) the income of the company consists wholly or mainly of investment income; and
 - (b) the individual, either alone or together with any other persons who are or have been at any time directors of the company, controls the company;
- and section 840 shall apply for the purposes of this subsection.
- (6) For the purposes of subsection (5) above—
- “director” includes any person occupying the position of director by whatever name called; and
- [^{F10}“investment income” means income which if the company were an individual, would not be earned income.]
- [^{F11}(6A) Emoluments of an individual as an employee of a company are not income within subsection (2) above if—
- (a) he is a controlling director of the company at any time in the year of assessment in question or has been a controlling director of the company at any time in the ten years immediately preceding that year of assessment, and
 - (b) any of subsections (6B) to (6E) below applies in his case.
- (6B) This subsection applies in the case of the individual if—
- (a) at any time in the year of assessment in question he is in receipt of benefits under a relevant superannuation scheme, and
 - (b) the benefits are payable in respect of past service with the company.
- (6C) This subsection applies in the case of the individual if—
- (a) at any time in the year of assessment in question he is in receipt of benefits under a personal pension scheme.
 - (b) the scheme has received a transfer payment relating to him from a relevant superannuation scheme, and
 - (c) the transfer payment is in respect of past service with the company.
- (6D) This subsection applies in the case of the individual if—
- (a) at any time in the year of assessment in question he is in receipt of benefits under a relevant superannuation scheme,
 - (b) the benefits are payable in respect of past service with another company,
 - (c) the emoluments are for a period during which the company mentioned in subsection (6A) above has carried on a trade or business previously carried on by the other company, and
 - (d) the other company carried on the trade or business at any time during the period of service in respect of which the benefits are payable.
- (6E) This subsection applies in the case of the individual if—
- (a) at any time in the year of assessment in question he is in receipt of benefits under a personal pension scheme,
 - (b) the scheme has received a transfer payment relating to him from a relevant superannuation scheme,
 - (c) the transfer payment is in respect of past service with another company,

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- (d) the emoluments are for a period during which the company mentioned in subsection (6A) above has carried on a trade or business previously carried on by the other company, and
 - (e) the other company carried on the trade or business at any time during the period of service in respect of which the transfer payment was made.
- (6F) For the purposes of subsections (6A) to (6E) above—
- (a) a person is a controlling director of a company if he is a director (as defined by section 612(1)), and he is within paragraph (b) of section 417(5), in relation to the company;
 - (b) “relevant superannuation scheme” has the same meaning as in section 645(1);
 - (c) references to benefits payable in respect of past service with a company include references to benefits payable partly in respect of past service with the company; and
 - (d) references to a transfer payment in respect of past service with a company include references to a transfer payment partly in respect of past service with the company.]
- (7) *For the purposes of this Chapter, a married woman’s relevant earnings shall not be treated as her husband’s relevant earnings, notwithstanding that her income chargeable to tax is treated as his income^{F12}.*

Textual Amendments

- F9** 1989 s.77 and Sch.7 para.5(2) from 6 April 1989. Previously “(5)”.
- F10** 1989 s.107 and Sch. 12 para.16 in relation to accounting periods beginning after 31 March 1989. Previously “ “investment income” shall be construed in accordance with paragraph 7 of Schedule 19.”.
- F11** 1989 s.77 and Sch.7 para.5(3) from 6 April 1989.
- F12** Repealed by 1988(F) s.148 and Sch.14 Part VIII for 1990-91 and subsequent years.

Modifications etc. (not altering text)

- C2** S. 644(2)(c) extended (with effect in accordance with s. 44 of the extending Act) by [Finance Act 1998 \(c. 36\)](#), Sch. 6 paras. 1, 2

Marginal Citations

- M11** Source-1987 (No.2) s.35

645 Earnings from pensionable employment. U.K.

- ^{M12}(1) This section applies to an office or employment held by an individual if—
- (a) service in it is service to which a relevant superannuation scheme relates; and
 - (b) the individual is a participant in the scheme; and
 - (c) [^{F13}subsection (4) below does not apply] to his participation in the scheme.
- (2) This section applies whether or not the duties of the office or employment are performed wholly or partly in the United Kingdom or the individual is chargeable to tax in respect of it.
- (3) In subsection (1) above “a relevant superannuation scheme” means a scheme or arrangement—

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- (a) the object or one of the objects of which is the provision, in respect of persons serving in particular offices or employments, of relevant benefits within the meaning of section 612; and
 - ^{F14}(b) which is established by a person other than the individual [^{F13}; and
 - (c) which is of a description mentioned in section 596(1)(a), (b) or (c).]
- (4) This subsection applies to an individual's participation in a scheme if the scheme provides no benefits in relation to him other than—
- (a) an annuity payable to his surviving spouse or a dependant of his;
 - (b) a lump sum payable on his death in service.
- ^{F15}(4A) Where the emoluments from an office or employment held by an individual are foreign emoluments within the meaning of section 192, this section shall have effect with the substitution of the following for paragraph (c) of subsection (3) above—
- “(c) which corresponds to a scheme of a description mentioned in section 596(1)(a), (b) or (c).”]
- (5) *This subsection applies to an individual's participation in a scheme if any sums paid pursuant to the scheme with a view to the provision of relevant benefits for him are treated as his income for the purposes of the Income Tax Acts^{F16}.*

Textual Amendments

F13 1989 s.77 and Sch.7 para.6(2), (3) from 6 April 1989. Previously “neither subsection (4) nor subsection (5) below applies” in subs.(1).

F14 Repealed by 1989 ss.77 and 187, Schs.7 para.6(3) and 17 Part IV from 6 April 1989.

F15 1989 s.77 and Sch.7 para.6(4) from 6 April 1989.

F16 Repealed by 1989 ss.77 and 187, Schs.7 para.6(5) and 17 Part IV from 6 April 1989.

Marginal Citations

M12 Source-1987 (No.2) s.36

646 Meaning of “net relevant earnings”. **U.K.**

^{M13}(1) Subject to subsections (3) to (7) below [^{F17} and section 646(A)], in this Chapter “net relevant earnings”, in relation to an individual, means the amount of his relevant earnings for the year of assessment in question, less the amount of any deductions within subsection (2) below which fall to be made from the relevant earnings in computing for the purposes of income tax his total income for that year.

- (2) Deductions are within this subsection if they are—
- (a) deductions which but for section 74(m), (p) or (q) could be made in computing the profits or gains of the individual;
 - (b) deductions made by virtue of section 198, 201 or 332(3);
 - (c) deductions in respect of relief under Schedule 9 to the Finance Act 1981 (stock relief);
 - (d) deductions in respect of losses or capital allowances, being losses or capital allowances arising from activities profits or gains of which would be included in computing relevant earnings of the individual *or the individual's wife or husband*^{F18}.

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- (3) For the purposes of this section, an individual's relevant earnings shall be taken to be those earnings before giving effect to any capital allowances, other than deductions allowable in computing profits or gains, but after taking into account the amounts on which charges fall to be made [^{F19}under the 1990 Act (including enactments which under this Act are to be treated as contained in the 1990 Act)]; and in subsections (4) and (5) below, references to income (other than references to total income) shall be construed similarly.
- (4) In the case of an individual's partnership profits, the amount to be included in arriving at his net relevant earnings shall be his share of the partnership income (estimated in accordance with the Income Tax Acts) after making from it any such deductions in respect of—
- (a) payments made by the partnership;
 - (b) relief given to the partnership under Schedule 9 to the Finance Act 1981; or
 - (c) capital allowances falling to be made to the partnership,
- as would be made in computing the tax payable in respect of that income.
- (5) Where, in a year of assessment for which an amount is deducted or set off under section 639(1) against the net relevant earnings of an individual—
- (a) a deduction in respect of such a loss or allowance of the individual as is mentioned in subsection (2)(d) above falls to be made in computing the total income of the individual *or the individual's wife or husband*^{F20}; and
 - (b) the deduction or part of it falls to be so made from income other than relevant earnings;
- the amount of the deduction made from that other income shall be treated as reducing the individual's net relevant earnings for subsequent years of assessment in accordance with subsection (6) below.
- (6) The deduction shall be made so far as possible from the individual's net relevant earnings for the first of the subsequent years of assessment (whether or not he is entitled to relief under section 639(1) for that year), and then, so far as it cannot be so made, from those of the next year, and so on.
- (7) An individual's net relevant earnings for any year of assessment shall be computed without regard to any deduction or set off under section 639(1) which falls to be made for that year in respect of the individual *or the individual's wife or husband*^{F20}.

Textual Amendments

F17 1989 s.77 and Sch.7 para.7 for the year 1989-90 and subsequent years.

F18 Words repealed by 1988(F) s.148 and Sch.14 Part VIII for 1990-91 and subsequent years.

F19 1990(C) s.164 and Sch.1 para.8(29). Previously

“under the 1968 Act (including the enactments which under this Act or the 1970 Act are to be treated as contained in Part I of the 1968 Act)”.

F20 Words repealed by 1988(F) s.148 and Sch.14 Part VIII for 1990-91 and subsequent years.

Marginal Citations

M13 Source-1987 (No.2) s.37

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[^{F21}**646A Earnings from associated employments.** U.K.]

- (1) This section applies where in the year of assessment in question—
 - (a) an individual holds two or more offices or employments which are associated in that year,
 - (b) one or more of them is an office or employment to which section 645 applies (“pensionable job”), and
 - (c) one or more of them is an office or employment to which that section does not apply (“non-pensionable job”).
- (2) Where the emoluments for that year from the pensionable job (or jobs) are equal to or exceed the allowable maximum for that year, section 646(1) shall have effect in the case of the individual as if the references to relevant earnings were references to relevant earnings not attributable to the non-pensionable job (or jobs).
- (3) Where the allowable maximum for that year exceeds the emoluments for that year from the pensionable job (or jobs), the individual’s net relevant earnings, so far as attributable to the non-pensionable job (or jobs), shall not be greater than the amount of the excess.
- (4) For the purposes of this section two or more offices or employments held by an individual in a year of assessment are associated in that year if the employers in question are associated at any time during it.
- (5) For the purposes of subsection (4) above, employers are associated if (directly or indirectly) one is controlled by the other or if both are controlled by a third person.
- (6) In subsection (5) above the reference to control, in relation to a body corporate, shall be construed—
 - (a) where the body corporate is a close company, in accordance with section 416, and
 - (b) where it is not, in accordance with section 840.
- (7) In this section “the allowable maximum” has the same meaning as in section 640A(1).]

Textual Amendments

F21 S. 646A inserted (with effect in accordance with Sch. 7 para. 8(2) of the amending Act) by Finance Act 1989 (c. 26), Sch. 7 para. 8(1)

VALID FROM 28/07/2000

[^{F22}**646B Presumption of same level of relevant earnings etc for 5 years.** U.K.]

- (1) This section applies where an individual (the “relevant member”) who is or becomes a member of a personal pension scheme provides to the scheme administrator the requisite evidence of the relevant amounts for any year of assessment (the “basis year”).
- (2) For the purposes of this section, the “relevant amounts” for any year of assessment are the amounts which need to be known in order to calculate the relevant member’s net relevant earnings for that year.

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- (3) The basis year need not be a year of assessment in which the relevant member is a member of the personal pension scheme concerned.
- (4) Where this section applies, it shall be presumed for the purposes of this Chapter in the case of the relevant member and the personal pension scheme concerned that, for each of the five years of assessment following the basis year, the relevant amounts (and, accordingly, the relevant member's net relevant earnings) are the same as for the basis year.
- (5) Subsection (4) above is subject to—
 - (a) subsections (6) to (9) below; and
 - (b) such conditions or exceptions as may be prescribed.
- (6) For the purposes of this section, the requisite evidence provided for a later basis year (the “later basis year”) supersedes the requisite evidence provided for an earlier basis year (the “earlier basis year”).
- (7) Subsection (6) above has effect subject to, and in accordance with, subsections (8) and (9) below.
- (8) If—
 - (a) the actual net relevant earnings for the later basis year, exceed
 - (b) the actual net relevant earnings for the earlier basis year,
 the supersession effected by subsection (6) above has effect as respects the later basis year and subsequent years of assessment (and subsection (4) above applies accordingly).
- (9) Where the condition in subsection (8) above is not satisfied, the supersession effected by subsection (6) above has effect only as respects years of assessment later than the last of the five years of assessment following the earlier basis year (and subsection (4) above applies accordingly).
- (10) It is immaterial for the purposes of this section whether the requisite evidence for a later year of assessment is provided before or after, or at the same time as, the requisite evidence for an earlier year of assessment.
- (11) This section is subject to section 646D.]

Textual Amendments

F22 Ss. 646B, 646C inserted (with effect in accordance with Sch. 13 para. 22(2) of the amending Act) by Finance Act 2000 (c. 17), Sch. 13 para. 22(1) (with Sch. 13 Pt. 2)

VALID FROM 28/07/2000

[^{F22}646C] Provisions supplementary to section 646B. **U.K.**

- (1) In this section and section 646B, “requisite evidence” means evidence—
 - (a) of such a description as may be prescribed;
 - (b) in such form as may be prescribed; and

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- (c) satisfying such conditions as may be prescribed.
- (2) Regulations may make further provision in connection with requisite evidence.
- (3) The provision that may be made by regulations under subsection (2) above includes provision for or in connection with the provision, use, retention, production or inspection of, or of copies of,—
 - (a) requisite evidence;
 - (b) books, documents or other records relating to any requisite evidence; or
 - (c) extracts from requisite evidence or from such books, documents or other records.
- (4) Any power to make regulations under this section or section 646B includes power to make different provision for different cases or different purposes.
- (5) In this section and section 646B—
 - “prescribed” means specified in or determined in accordance with regulations;
 - “regulations” means regulations made by the Board.]

Textual Amendments

- F22** Ss. 646B, 646C inserted (with effect in accordance with Sch. 13 para. 22(2) of the amending Act) by Finance Act 2000 (c. 17), Sch. 13 para. 22(1) (with Sch. 13 Pt. 2)

VALID FROM 28/07/2000

^{F23} 646D Higher level contributions after cessation of actual relevant earnings: modification of section 646B. U.K.

- (1) This section applies where a member of a personal pension scheme—
 - (a) has no actual relevant earnings in a year of assessment (the “break year”); but
 - (b) had actual relevant earnings in the preceding year of assessment (the “cessation year”); and
 - (c) was entitled to make higher level contributions under arrangements under the scheme in any one or more of the six years of assessment preceding the break year (the “reference years”).
- (2) In the application of the presumption in subsection (4) of section 646B for any qualifying post-cessation year, in a case where this section applies, the basis year may be any one of the reference years for which the member provides or has provided the requisite evidence—
 - (a) notwithstanding anything in subsections (6) to (9) of that section; and
 - (b) whether or not the qualifying post-cessation year is included among the five years of assessment following the basis year.
- (3) If the member provides or has provided the requisite evidence for two or more of the reference years, he may by notice in writing to the scheme administrator nominate that one of those years which is to be the basis year by virtue of subsection (2) above.

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- (4) In this section “post-cessation year”, in the case of the member concerned, means any of the five years of assessment following the cessation year.
- (5) For the purposes of this section any post-cessation year is a “qualifying” post-cessation year unless—
- (a) it is a year for which the member has any actual relevant earnings;
 - (b) it is a year throughout which the member holds an office or employment to which section 645 applies; or
 - (c) it immediately follows a post-cessation year which is not a qualifying post-cessation year.
- (6) Subsection (5) above is without prejudice to the further application of this section in relation to the member if the conditions in subsection (1) above are again fulfilled.
- (7) In this section—
- “the basis year” shall be construed in accordance with section 646B;
 - “the requisite evidence” has the same meaning as in that section.]

Textual Amendments

- F23** S. 646D inserted (with effect in accordance with [Sch. 13 para. 23\(2\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), [Sch. 13 para. 23\(1\)](#) (with [Sch. 13 Pt. 2](#))

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