



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART XIV

PENSION SCHEMES, SOCIAL SECURITY BENEFITS, LIFE ANNUITIES ETC.

CHAPTER IV

PERSONAL PENSION SCHEMES

Tax reliefs

639 Member's contributions.

- (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.

Status: Point in time view as at 31/07/1998. This version of this provision has been superseded.

Changes to legislation: Income and Corporation Taxes Act 1988, Section 639 is up to date with all changes known to be in force on or before 04 August 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)

- (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

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