

SCHEDULES

SCHEDULE 29

REGISTERED PENSION SCHEMES: AUTHORISED LUMP SUMS—SUPPLEMENTARY

PART 2

LUMP SUM DEATH BENEFIT RULE

Defined benefits arrangements

Defined benefits lump sum death benefit

- 13 For the purposes of this Part a lump sum death benefit is a defined benefits lump sum death benefit if—
- (a) the member had not reached the age of 75 at the date of the member's death,
 - (b) it is paid in respect of a defined benefits arrangement,
 - (c) it is paid before the end of the period of two years beginning with the day on which the member died, and
 - (d) it is not a pension protection lump sum death benefit, trivial commutation lump sum death benefit or winding-up lump sum death benefit.

Pension protection lump sum death benefit

- 14 (1) For the purposes of this Part a lump sum death benefit is a pension protection lump sum death benefit if—
- (a) the member had not reached the age of 75 at the date of the member's death,
 - (b) it is paid in respect of a defined benefits arrangement,
 - (c) it is paid in respect of a scheme pension to which the member was entitled at the date of the member's death, and
 - (d) the member has specified that it is to be treated as a pension protection lump sum death benefit (instead of a defined benefits lump sum death benefit).
- (2) But if the amount of a lump sum falling within sub-paragraph (1) exceeds the pension protection limit, the excess is not a pension protection lump sum death benefit.
- (3) The pension protection limit is—

AC AP IFLS

where—

AC is the amount crystallised by reason of the member becoming entitled to the pension (see section 216),

AP is the amount of the pension paid in respect of the period between the member becoming entitled to the pension and the member's death, and

Status: This is the original version (as it was originally enacted).

TPLS is the total amount of pension protection lump sum death benefit previously paid in respect of the pension under this paragraph.