



Finance Act 2004

2004 CHAPTER 12

PART 4

PENSION SCHEMES ETC

CHAPTER 3

PAYMENTS BY REGISTERED PENSION SCHEMES

Authorised employer payments

180 Scheme administration employer payments

- (1) A “scheme administration employer payment” is a payment made—
 - (a) by a registered pension scheme that is an occupational pension scheme, and
 - (b) to or in respect of a [^{F1}person who is or has been a] sponsoring employer, for the purposes of the administration or management of the pension scheme.
- (2) But if a payment falling within subsection (1) exceeds the amount which might be expected to be paid to a person who was at arm’s length, the excess is not a scheme administration employer payment.
- (3) Scheme administration employer payments include in particular—
 - (a) the payment of wages, salaries or fees to persons engaged in administering the pension scheme, and
 - (b) payments made for the purchase of assets to be held for the purposes of the pension scheme.
- (4) A loan to or in respect of a [^{F2}person who is or has been a] sponsoring employer is not a scheme administration employer payment.
- (5) Payments made to acquire shares in a sponsoring employer are not scheme administration employer payments if, when the payment is made—

Status: Point in time view as at 01/06/2012.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2004, Section 180. (See end of Document for details)

- (a) the market value of shares in the sponsoring employer held for the purposes of the pension scheme is equal to or greater than 5% of the aggregate of the amount of the sums, and the market value of the assets, held for the purposes of the pension scheme, or
 - (b) the total market value of shares in sponsoring employers held for the purposes of the pension scheme is equal to or greater than 20% of the aggregate of the amount of the sums, and the market value of the assets, held for the purposes of the pension scheme.
- (6) Regulations made by the Board of Inland Revenue may provide that payments of a description specified in the regulations are, or are not, scheme administration employer payments.

Textual Amendments

- F1** Words in s. 180(1) inserted (retrospective to 6.4.2006) by [Finance Act 2006 \(c. 25\)](#), s. 161(2), [Sch. 23 para. 12](#)
- F2** Words in s. 180(4) inserted (retrospective to 6.4.2006) by [Finance Act 2006 \(c. 25\)](#), s. 161(2), [Sch. 23 para. 12](#)

Modifications etc. (not altering text)

- C1** Ss. 175-181 excluded (6.4.2006) by [The Pension Protection Fund \(Tax\) Regulations 2006 \(S.I. 2006/575\)](#), regs. 1, [15](#)
- C2** [S. 180](#) modified (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Finance Act 2004, Section 180\(5\) \(Modification\) Regulations 2012 \(S.I. 2012/1258\)](#), regs. 1, [2](#)

Commencement Information

- I1** Ss. 160-274, 281, Schs. 30-35 in force at 6.4.2006 but any power to make an order or regulations under those provisions may be exercised at any time after Royal Assent, see s. 284

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Changes to legislation:

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