

Status: Point in time view as at 11/04/2022.

Changes to legislation: There are currently no known outstanding effects for the Pensions Act 2014, SCHEDULE 11. (See end of Document for details)

SCHEDULES

SCHEDULE 11

Section 15

PENSION SHARING: AMENDMENTS

Family Law (Scotland) Act 1985 (c. 37)

- 1 In section 27 of the Family Law (Scotland) Act 1985 (interpretation), in subsection (1), in the definition of “relevant state scheme rights”—
- (a) before paragraph (a) insert—
- “(za) shareable new state scheme rights, within the meaning given by section 47(3) of the Welfare Reform and Pensions Act 1999 or corresponding Northern Ireland legislation;”;
- (b) in paragraph (b) after “55A” insert “ or 55AA ”.

Commencement Information

I1 Sch. 11 para. 1 in force at 6.4.2016, see s. 56(1)(4)

Social Security Contributions and Benefits Act 1992 (c. 4)

- 2 The Contributions and Benefits Act is amended as follows.

Commencement Information

I2 Sch. 11 para. 2 in force at 6.4.2016, see s. 56(1)(4)

- 3 In section 21 (contribution conditions), in subsection (1), after “section 55A” insert “ or 55AA ”.

Commencement Information

I3 Sch. 11 para. 3 in force at 6.4.2016, see s. 56(1)(4)

- 4 In section 43 (persons entitled to more than one retirement pension), in subsection (6), after “section 55A” insert “ or 55AA ”.

Commencement Information

I4 Sch. 11 para. 4 in force at 6.4.2016, see s. 56(1)(4)

- 5 (1) Section 55A (shared additional pension) is amended as follows.
- (2) For subsection (1) substitute—

Status: Point in time view as at 11/04/2022.

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“(1) A person is entitled to a shared additional pension under this section if—
 (a) the person attained pensionable age before 6 April 2016, and
 (b) the person is entitled to an old state scheme pension credit.”

(3) In subsections (2) and (3), after “shared additional pension” insert “under this section”.

(4) In subsections (3), (4), (5) and (7) before “state scheme pension credit” (in each place) insert “old”.

(5) At the end of the heading insert “because of an old state scheme pension credit”.

Commencement Information

I5 Sch. 11 para. 5 in force at 6.4.2016, see s. 56(1)(4)

6 After section 55A insert—

“55AA Shared additional pension because of a new state scheme pension credit

(1) A person is entitled to a shared additional pension under this section if—
 (a) the person reached pensionable age before 6 April 2016, and
 (b) the person is entitled to a new state scheme pension credit.

(2) A person's entitlement to a shared additional pension under this section continues throughout his or her life.

(3) The weekly rate of a shared additional pension under this section is equal to the amount of the new state scheme pension credit.

(4) In this section “new state scheme pension credit” means a credit under section 49A(2)(b) of the Welfare Reform and Pensions Act 1999.”

Commencement Information

I6 Sch. 11 para. 6 in force at 6.4.2016, see s. 56(1)(4)

7 (1) Section 55B (reduction of additional pension in Category A retirement pension: pension sharing) is amended as follows.

(2) In subsection (1)(a), for “a” substitute “an old”.

(3) In subsection (5), for “55A above” substitute “55A or 55AA (as the case may be)”.

(4) In subsection (8), in the definition of “state scheme pension debit”, before “state” insert “old”.

Commencement Information

I7 Sch. 11 para. 7 in force at 6.4.2016, see s. 56(1)(4)

Status: Point in time view as at 11/04/2022.

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Social Security Administration Act 1992 (c. 5)

8 In the Administration Act, after section 148AC (inserted by Schedule 12 to this Act) insert—

“148AD Revaluation of new state scheme pension debits and credits

- (1) The Secretary of State must, in each tax year, review the general level of prices in Great Britain and any changes which have taken place.
- (2) The Secretary of State must make an order under this section if on a review it appears to the Secretary of State that, having regard to earlier orders under this section, relevant debits or credits have not, during the review period, maintained their value in relation to the general level of prices.
- (3) An order under this section is an order directing that, for the purposes of paragraph 3 of each of Schedules 8 and 10 to the Pensions Act 2014, the amount of the relevant debits or credits are to be increased by such percentage of their amount, apart from earlier orders under this section, as the Secretary of State thinks necessary to make up the fall in their value during the review period together with other falls in their value which had been made up by earlier orders under this section.
- (4) This section does not require the Secretary of State to direct an increase if it appears to the Secretary of State that the increase would be inconsiderable.
- (5) If on a review the Secretary of State determines that no order under this section is required, the Secretary of State must lay before Parliament a report explaining the reasons for arriving at that determination.
- (6) For the purposes of any review under this section the Secretary of State may estimate the general level of prices in such manner as the Secretary of State thinks fit.
- (7) In this section “relevant debits or credits” means—
 - (a) a debit under section 49A(2)(a) of the Welfare Reform and Pensions Act 1999 to which a person became subject before the tax year to which the review relates, or
 - (b) a credit under section 49A(2)(b) of the Welfare Reform and Pensions Act 1999 to which a person became entitled before the tax year to which the review relates.”

Commencement Information

18 Sch. 11 para. 8 in force at 6.4.2016, see s. 56(1)(4)

Welfare Reform and Pensions Act 1999 (c. 30)

9 The Welfare Reform and Pensions Act 1999 is amended as follows.

Commencement Information

19 Sch. 11 para. 9 in force at 6.4.2016, see s. 56(1)(4)

Status: Point in time view as at 11/04/2022.

Changes to legislation: There are currently no known outstanding effects for the Pensions Act 2014, SCHEDULE 11. (See end of Document for details)

- 10 (1) Section 47 (shareable state scheme rights) is amended as follows.
- (2) After subsection (1) insert—
- “(1A) For the purposes of this Chapter, a person's shareable state scheme rights are—
- (a) the person's shareable old state scheme rights;
- (b) the person's shareable new state scheme rights.”
- (3) In subsection (2)—
- (a) after “shareable” insert “ old ”;
- (b) in paragraph (b), after “55A” insert “ or 55AA ”.
- (4) After subsection (2) insert—
- “(3) For the purposes of this Chapter, a person's shareable new state scheme rights are the person's entitlement, or prospective entitlement, to the excess amount in a state pension under section 4 of the Pensions Act 2014.
- (4) “The excess amount”, in relation to a state pension under section 4 of the Pensions Act 2014, means any amount by which the rate of the pension exceeds the full rate of the state pension (see section 3 of that Act).
- (5) In determining the rate of a state pension under section 4 of the Pensions Act 2014 for the purposes of this Chapter, ignore Schedule 6 to that Act (reduced rate elections: effect on rate of section 4 pension).”

Commencement Information

I10 Sch. 11 para. 10 in force at 6.4.2016, see s. 56(1)(4)

- 11 In section 48 (activation of benefit sharing), in subsection (1), for the words from the beginning to “shareable state scheme rights” substitute “ Section 49 or 49A applies where any of the following has taken effect in relation to a person's shareable state scheme rights ”.

Commencement Information

I11 Sch. 11 para. 11 in force at 5.2.2015 for specified purposes by S.I. 2015/134, art. 2(1)(4)(k)

I12 Sch. 11 para. 11 in force at 6.4.2016 so far as not brought into force earlier by an order, see s. 56(1)(4)

- 12 (1) Section 49 (creation of state scheme pension debits and credits) is amended as follows.
- (2) For subsection (1) substitute—
- “(A1) This section applies if—
- (a) the transferor is in the old state pension system, or
- (b) the transferor is in the new state pension system but the transfer day was before 6 April 2016.
- (1) Where this section applies because of a relevant order or provision—
- (a) the transferor is subject, for the purposes of the relevant state pension legislation, to a debit of the appropriate amount, and

Status: Point in time view as at 11/04/2022.

Changes to legislation: There are currently no known outstanding effects for the Pensions Act 2014, SCHEDULE 11. (See end of Document for details)

- (b) the transferee is entitled, for the purposes of the relevant state pension legislation, to a credit of that amount.”
- (3) In subsection (2), after “shareable” insert “ old ”.
- (4) In subsection (3)(b), for “relevant” substitute “ shareable old ”.
- (5) After subsection (5) insert—
 - “(5A) The fact that a person who reaches pensionable age on or after 6 April 2016 is not entitled to a pension of the kind mentioned in section 47(2)(a) or (b) does not affect the calculation under this section of the appropriate amount by reference to the transferor's prospective entitlement, immediately before the transfer day, to a pension of that kind.”
- (6) In subsection (6), at the appropriate place insert—
 - ““the relevant state pension legislation”—
 - (a) in relation to a transferor or transferee in the old state pension system, means Part 2 of the Contributions and Benefits Act, and
 - (b) in relation to a transferor or transferee in the new state pension system, means Part 1 of the Pensions Act 2014.”
- (7) At the end of the heading insert “ : transferor in old state pension system or pension sharing activated before 6 April 2016 ”.

Commencement Information

I13 Sch. 11 para. 12 in force at 6.4.2016, see s. 56(1)(4)

13 After section 49 insert—

“49A Creation of debits and credits: transferor in new state pension system and sharing activated on or after 6 April 2016

- (1) This section applies if—
 - (a) the transferor is in the new state pension system, and
 - (b) the transfer day is 6 April 2016 or any later date.
- (2) Where this section applies because of a relevant order or provision—
 - (a) the transferor is subject, for the purposes of section 14 of the Pensions Act 2014, to a debit of the shared weekly amount, and
 - (b) the transferee is entitled, for the purposes of the relevant state pension legislation, to a credit of the shared weekly amount.
- (3) The shared weekly amount is the specified percentage of the excess amount of the transferor's state pension under section 4 of the Pensions Act 2014 as at the transfer day.
- (4) For the purposes of calculating the shared weekly amount—
 - (a) a transferor who is under pensionable age on the transfer day is to be treated as having reached pensionable age and to have become entitled to the state pension under section 4 of the Pensions Act 2014 on the transfer day;

Status: Point in time view as at 11/04/2022.

Changes to legislation: There are currently no known outstanding effects for the Pensions Act 2014, SCHEDULE 11. (See end of Document for details)

- (b) a transferor who has reached pensionable age on the transfer day but who has not yet become entitled to the state pension under section 4 of the Pensions Act 2014 is to be treated as having become entitled to the pension on that day.

(5) In this section—

“the excess amount” has the meaning given by section 47(4);

“relevant order or provision” means the order or provision by virtue of which this section applies (see section 48);

“the relevant state pension legislation”—

(a) in relation to a transferee in the old state pension system, means Part 2 of the Contributions and Benefits Act, and

(b) in relation to a transferee in the new state pension system, means Part 1 of the Pensions Act 2014;

“specified percentage” means the percentage specified in the relevant order or provision for the purposes of subsection (3);

“transfer day” means the day on which the relevant order or provision takes effect;

“transferor” means the person to whose rights the relevant order or provision relates;

“transferee” means the person for whose benefit the relevant order or provision is made.”

Commencement Information

I14 Sch. 11 para. 13 in force at 6.4.2016, see s. 56(1)(4)

- 14 (1) Section 51 (interpretation) is amended as follows.
- (2) The current text becomes subsection (1).
- (3) In that subsection for the definition of “shareable state scheme rights” substitute—
- ““shareable state scheme rights”, and related expressions, have the meaning given by section 47;”.
- (4) After that subsection insert—
- “(2) For the purposes of this Chapter—
- (a) a person is in the old state pension system if the person reached pensionable age before 6 April 2016 (or would have done so if the person had lived until pensionable age), and
- (b) a person is in the new state pension system if the person reached pensionable age on or after 6 April 2016 (or will do so if the person lives until pensionable age).”

Commencement Information

I15 Sch. 11 para. 14 in force at 6.4.2016, see s. 56(1)(4)

Status: Point in time view as at 11/04/2022.

Changes to legislation: There are currently no known outstanding effects for the Pensions Act 2014, SCHEDULE 11. (See end of Document for details)

State Pension Credit Act 2002 (c. 16)

- 15 In section 16 of the State Pension Credit Act 2002 (meaning of “retirement pension income”), in subsection (1), for paragraph (b) substitute—
- “(b) a shared additional pension payable under—
- (i) section 55A of either of those Acts, or
 - (ii) section 55AA of the Contributions and Benefits Act or any corresponding provision under the law of Northern Ireland;”.

Commencement Information

I16 Sch. 11 para. 15 in force at 6.4.2016, see s. 56(1)(4)

Gender Recognition Act 2004 (c. 7)

- 16 In Schedule 5 to the Gender Recognition Act 2004 (benefits and pensions), in paragraph 9(1)(a) and (3), after “section 55A” insert “ or 55AA ”.

Commencement Information

I17 Sch. 11 para. 16 in force at 6.4.2016, see s. 56(1)(4)

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