



Finance Act 2022

2022 CHAPTER 3

PART 1

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

Pensions

9 Liability of scheme administrator for annual allowance charge

- (1) Part 4 of FA 2004 (pension schemes etc) is amended as follows.
- (2) In section 237B(5)(a) (liability of scheme administrator for annual allowance charge), for “not later than 31 July in the year following that in which the tax year ends” substitute “in accordance with the time limit in section 237BA”.
- (3) After that section insert—

“237BA Time limit for notices under section 237B

- (1) This section specifies the time limit for an individual to give a notice under section 237B(3) in relation to a pension scheme for a tax year (see section 237B(5)(a)).
- (2) Except where subsection (5) applies, the individual must give the notice not later than 31 July in the year following the year in which the tax year ends.
- (3) Subsection (5) applies where—
 - (a) at a relevant time, the scheme administrator gives the individual information about a change to the pension scheme input amount in relation to the pension scheme for the tax year,
 - (b) the scheme administrator is required to give the individual the information by regulations under section 251, and
 - (c) section 237B applies to the individual, in relation to the pension scheme and the tax year, as a result of that change.

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- (4) In subsection (3), “relevant time” means a time falling—
 - (a) on or after 2 May in the year following that in which the tax year in question ends, and
 - (b) before the end of the period of 6 years beginning with the end of the tax year in question.
- (5) Where this subsection applies, the individual must give the notice before whichever is the earlier of the following—
 - (a) the end of the period of 3 months beginning with the day on which the scheme administrator gives the individual the information described in subsection (3)(a), and
 - (b) the end of the period of 6 years beginning with the end of the tax year in question.
- (6) In this section, “pension scheme input amount” has the meaning given in section 237B(2).”
- (4) In section 254 (accounting for tax by scheme administrators)—
 - (a) in subsection (7A), for the words from “the period ending” to the end substitute “the later of—
 - (a) the period ending with 31 December in the year following that in which that tax year ended, and
 - (b) the period following the period in which the scheme administrator receives the notice which gives rise to the liability,
 subject to subsections (7AA) and (7B).”,
 - (b) after that subsection insert—

“(7AA) The tax described in subsection (7A) is to be taken for the purposes of subsection (2) to be charged in an earlier period if the scheme administrator makes an election to that effect in the return for the earlier period.”, and
 - (c) in subsection (7B)—
 - (i) omit “But”, and
 - (ii) after “(7A)” insert “or (7AA)”.

10 Increase of normal minimum pension age

- (1) Part 4 of FA 2004 (pension schemes etc) is amended in accordance with subsections (2) to (6).
- (2) In section 279(1) (other definitions), for the definition of “normal minimum pension age” substitute—

““normal minimum pension age” means—

 - (a) in relation to, and to a member of, a pension scheme that is not a uniformed services pension scheme—
 - (i) before 6 April 2010, 50,
 - (ii) on and after that date but before 6 April 2028, 55, and
 - (iii) on and after 6 April 2028, 57, and

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- (b) in relation to, and to a member of, a uniformed services pension scheme—
 - (i) before 6 April 2010, 50, and
 - (ii) on and after that date, 55.”.
 - (3) In that section, after subsection (3) insert—
 - “(4) In this section “uniformed services pension scheme” means a pension scheme that—
 - (a) is established by or under an enactment or Royal Warrant for the benefit of persons described in subsection (5) (whether or not other persons may be members of such a scheme), or
 - (b) is established solely for the receipt of additional voluntary contributions from members of a scheme falling within paragraph (a), subject to any regulations made under subsection (6).
 - (5) Those persons are persons who are or were—
 - (a) members of the naval, military or air forces of the Crown (including members of any reserve force);
 - (b) members of a police force other than the Civil Nuclear Constabulary;
 - (c) firefighters.
 - (6) The Treasury may by regulations —
 - (a) amend subsection (5) by adding to, varying or omitting descriptions of persons;
 - (b) provide for a pension scheme not falling within subsection (4)(a) or (b) that is specified, or is of a specified description, to be treated as a uniformed services pension scheme;
 - (c) provide for a pension scheme falling within subsection (4)(a) or (b) that is specified, or is of a specified description, to be treated as not being a uniformed services pension scheme.
- “Specified” means specified in the regulations.
- (7) Regulations under subsection (6) may make transitional provision and savings.”
 - (4) In Schedule 36 (pension schemes etc: transitional provisions and savings), in paragraph 21 (member’s protected pension age applies instead of normal minimum pension age)—
 - (a) in sub-paragraph (1), for “or 23” substitute “, 23 or 23ZB”;
 - (b) in sub-paragraph (2), for “and 23(8)” substitute “, 23(8) and 23ZB(7)”.
 - (5) In that Schedule, after paragraph 23ZA insert—

“Protected pension age: scheme rights existing before 4 November 2021

- 23ZB (1) This paragraph applies in relation to a relevant registered pension scheme and a member of the pension scheme if—
- (a) neither paragraph 22 nor 23 applies in relation to them, and
 - (b) the entitlement condition or the block transfer condition is met in relation to the scheme and the member.

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- (2) A registered pension scheme is “relevant” if it is not a uniformed services pension scheme (as defined in section 279(4)).
- (3) The entitlement condition is met if—
- (a) immediately before 4 November 2021 the member had an actual or prospective right under the pension scheme to any benefit from an age of less than 57,
 - (b) the rules of the pension scheme on 11 February 2021 included provision conferring such a right on some or all of the persons who were then members of the pension scheme, and
 - (c) the member either had such a right under the scheme on 11 February 2021 or would have had such a right had the member been a member of the scheme on 11 February 2021.
- (4) Where—
- (a) a recognised transfer is made on or after 4 November 2021 in execution of a request made before that date, and
 - (b) that transfer would, if executed before that date, have resulted in the member having an actual or prospective right under a pension scheme to any benefit from the age of less than 57 immediately before that date,
- the member is, for the purposes of this paragraph, to be treated as having that right under that scheme at that time.
- (5) The block transfer condition is met if the member is a member of the pension scheme (the “transferee pension scheme”) as a result of—
- (a) a block transfer to the transferee pension scheme on or after 4 November 2021 from a pension scheme (the “original pension scheme”) where the entitlement condition is met in relation to the original scheme and the member,
 - (b) a block transfer to the transferee pension scheme from a pension scheme (the “original pension scheme”) on or before 3 November 2021 where—
 - (i) immediately before the transfer the member had an actual or prospective right under the original pension scheme to any benefit from an age of less than 57,
 - (ii) the rules of the original pension scheme met paragraph (b) of the entitlement condition, and
 - (iii) paragraph (c) of that condition is met in relation to the original pension scheme and the member, or
 - (c) a block transfer to the transferee pension scheme from a pension scheme (the “transferor pension scheme”) that was a transferee pension scheme in relation to an original pension scheme or another transferor pension scheme by virtue of the previous application of paragraph (a) or (b) or the previous application (on one or more occasions) of this paragraph.
- (6) For the purposes of sub-paragraph (5), a transfer is a “block transfer”, if it involves the transfer, in a single transaction, of all of the sums and assets held for the purposes of, or representing accrued rights under, the

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arrangements under a pension scheme which relate to the member and at least one other member of the scheme.

- (7) The member's protected pension age is the higher of 55 and the age from which the member had an actual or prospective right to any benefit immediately before 4 November 2021 under—
- (a) in a case where the entitlement condition is met in relation to the member and the scheme, that scheme, or
 - (b) in a case where the block transfer condition is met in relation to the member and the scheme and the entitlement condition is not so met, whichever of that scheme, the original scheme or the transferor scheme that the member was a member of at that time.
- (8) But this paragraph does not have effect so as to give the member a protected pension age of more than 55 at any time before 6 April 2028.

- 23ZC (1) This paragraph applies in relation to sums or assets of a relevant registered pension scheme and the member of the scheme to which those sums and assets relate if—
- (a) none of paragraphs 22, 23 or 23ZB apply in relation to the scheme and the member, and
 - (b) those sums or assets were subject to a relevant transfer to the scheme.
- (2) Sums or assets relate to a member of a pension scheme if they are held by that scheme for the purposes of, or represent accrued rights under, an arrangement relating to the member under the pension scheme.
- (3) Sums or assets were subject to a relevant transfer to a relevant registered pension scheme if they were transferred to that scheme from another relevant registered pension scheme (“the transferor scheme”) as a result of a recognised transfer and, immediately before the transfer—
- (a) they were sums or assets held by the transferor scheme for the purposes of, or representing accrued rights under, an arrangement relating to a member of the transferor scheme, and
 - (b) paragraph 23ZB applied in relation to the transferor scheme and that member or this paragraph applied to those sums or assets and that member as a result of a relevant transfer to the transferor scheme.
- (4) If this paragraph applies in relation to sums or assets (“transferred sums or assets”) and a member of a relevant registered pension scheme, this Part of this Act (except for section 218(6) and paragraph 19) applies in relation to—
- (a) the transferred sums or assets while held for the purposes of, or representing accrued rights under, an arrangement under the scheme, and
 - (b) any sums or assets held for the purposes of, or representing accrued rights under, such an arrangement that arise, or (directly or indirectly) derive, from—
 - (i) any of the transferred sums or assets, or
 - (ii) sums or assets which so arise or derive,

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as if references to normal minimum pension age were to the member's protected pension age under the first relevant registered pension scheme from which there was a relevant transfer of the sums or assets (see paragraph 23ZB(7)).

- (5) In this paragraph "relevant registered pension scheme" means a pension scheme that is not a uniformed services pension scheme (as defined in section 279(4)).

Lump sums before normal minimum pension age".

- (6) In that Schedule—

- (a) before paragraph 22 insert—

"Protected pension age: scheme rights existing before 6 April 2006";

- (b) in paragraph 23ZA(2), in the words before paragraph (a), after "This Part" insert "of this Act".

- (7) In section 308C(9) of ITEPA 2003 (provision of pensions advice: limited exemption), for paragraph (a) substitute—

- "(a) if any of paragraphs 22, 23, 23ZB or 23ZC of Schedule 36 to FA 2004 apply in relation to the employee, the lowest protected pension age that applies as a result of those paragraphs (in relation to the employee or, as the case may be, to sums or assets that relate to the employee), or".

11 Public service pension schemes: rectification of unlawful discrimination

- (1) The Treasury may by regulations made by statutory instrument make provision of the kind mentioned in subsection (2) in consequence of, or otherwise in connection with, the discrimination rectification provisions.

- (2) The provision referred to in subsection (1) is provision modifying any relevant tax enactment in its application in relation to a relevant person.

- (3) In subsection (2)—

"relevant tax enactment" means—

- (a) an enactment contained in or made under Part 4 of FA 2004 (pension schemes etc),
 (b) an enactment contained in or made under Schedule 15 to FA 2020 (tax relief for scheme payments etc), or
 (c) an enactment contained in the Income Tax Acts, or relating to capital gains tax, that is not within paragraph (a) or (b);

"relevant person" means a person—

- (a) who has any remediable service in an employment or office,
 (b) who has any rights or obligations under or in relation to a public service pension scheme that are determined by reference to, or are otherwise affected by, another person's remediable service in an employment or office, or
 (c) to whom, or by whom, any amounts are paid or payable under the discrimination rectification provisions.

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- (4) Regulations under this section may—
- (a) make retrospective provision;
 - (b) make different provision for different cases;
 - (c) make consequential, incidental or supplemental provision.
- (5) A statutory instrument containing regulations under this section is subject to annulment in pursuance of a resolution of the House of Commons.
- (6) In this section “the discrimination rectification provisions” means—
- (a) Chapters 1 to 3 of Part 1 of PSPJOA 2022 and any provision made under those Chapters,
 - (b) any provision made under Chapter 4 of that Part of that Act, and
 - (c) any provision contained in scheme regulations that is made—
 - (i) under provision contained in Part 1 of PSPJOA 2022, or
 - (ii) under section 3(2)(c) of PSPA 2013 or section 3(2)(c) of PSPA(NI) 2014 (consequential etc provision in relation to Part 1 of PSPJOA 2022).
- (7) In this section—
- “modifying” includes disapplying or supplementing;
 - “PSPA 2013” means the Public Service Pensions Act 2013;
 - “PSPA(NI) 2014” means the [Public Service Pensions Act \(Northern Ireland\) 2014 \(c. 2 \(N.I.\)\)](#);
 - “PSPJOA 2022” means the Public Service Pensions and Judicial Offices Act 2022;
 - “public service pension scheme” has the same meaning as in Part 4 of FA 2004 (see section 150 of that Act);
 - “remediable service” means remediable service within the meaning of Chapter 1, 2 or 3 of Part 1 of PSPJOA 2022;
 - “scheme regulations” means scheme regulations within the meaning of PSPA 2013 or PSPA(NI) 2014.

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