

SCHEDULE

Benefit limits

PART IV

Lump sums on death

15.—(1) The lump sum payable under regulation 11(7) must not be such as to cause the total lump sums payable on death to exceed the total realisable value of the investments made by the Secretary of State under regulations 7(1), 8(2), or 9(4) in respect of contributions made by the participator.

(2) The total lump sums payable on death are the total of—

- (a) any lump sum death benefit arising pursuant to an election under regulations 3(1)(b), 3(6) or 5(2)(a);
- (b) any lump sum payable under regulation 11(7); and
- (c) any lump sum death benefits totalling £2500 or more that are payable under relevant schemes.

(3) The relevant schemes are—

- (a) approved schemes;
- (b) schemes approved under Chapter IV of Part XIV of the Taxes Act;
- (c) free-standing additional voluntary contribution schemes;
- (d) retirement annuity contracts approved under Chapter III of Part XIV of the Taxes Act;
- (e) the scheme constituted by the 1995 Regulations;
- (f) “relevant statutory schemes” as defined by section 611A of the Taxes Act.

(4) The permitted amount for the purpose of regulations 4(4) and 12(2) is £5000 or, if greater, 4 times the participator’s remuneration.

(5) The participator’s remuneration is the

greater of T, U and V,

where—

T is what the participator’s final remuneration would have been if the date of death had been the material date,

U is the participator’s highest year’s adjusted salary for the purpose of calculating T, and

V is the participator’s total taxable earnings during any period of 12 months ending not more than 3 years immediately before the date of death, increased in proportion to any increase in the Index from the end of the year up to the material date as mentioned in paragraph 3(1).