
STATUTORY INSTRUMENTS

2002 No. 681

The Occupational and Personal Pension Schemes (Contracting-out) (Miscellaneous Amendments) Regulations 2002

Amendment of the Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1996

7.—(1) The Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1996⁽¹⁾ shall be amended as follows:—

(2) For paragraph (1) of regulation 51 there shall be substituted the following paragraphs—

“Contributions equivalent premiums

51.—(1) For the purposes of section 51(2) of the Act (which requires the prescribed person to pay a contributions equivalent premium in the case mentioned in section 51(2B) and otherwise enables him to elect to pay such a premium on termination of contracted-out employment)⁽²⁾ the prescribed person is the trustees of the scheme.

(1A) Section 51(2B) of the Act (by virtue of which a contributions equivalent premium must be paid in any case where the earner has no accrued right to benefit under the scheme)⁽³⁾ does not apply if paragraph (1B) or (1C) applies.

(1B) This paragraph applies where—

- (a) the earner’s service in employment ceases on the earner’s death; and
- (b) the earner leaves a surviving spouse who is not entitled to any of the following benefits—
 - (i) a widowed mother’s allowance under section 37 of the Contributions and Benefits Act,
 - (ii) a widow’s pension under section 38 of that Act,
 - (iii) a widowed parent’s allowance under section 39A⁽⁴⁾ of that Act, or
 - (iv) a bereavement allowance under section 39B⁽⁵⁾ of that Act.

(1C) This paragraph applies where the earner is a woman who has made, or is treated as having made, an election under regulations made under section 19(4) of the Contributions and Benefits Act, which has not been revoked, that her liability in respect of primary Class 1 contributions shall be at a reduced rate.”

(3) In paragraph (2) of that regulation—

(a) in sub-paragraph (a) the words “section 16 (transfer of accrued rights) or” shall be omitted,

(1) S.R. 1996 No. 493.

(2) 1993 c. 49; section 51(2) was substituted by Article 138(10) of the Pensions (Northern Ireland) Order 1995 (S.I. 1995/3213 (N.I.22)) and was amended by paragraph 7(2)(a) of Schedule 2 to the 1999 Act.

(3) Section 51(2B) was inserted by paragraph 7(2)(c) of Schedule 2 to the 1999 Act.

(4) Section 39A was inserted by article 52(2) of the Welfare Reform and Pensions (Northern Ireland) Order (S.I. 1999/3147 (N.I.11)).

(5) Section 39B was inserted by article 52(2) of the Welfare Reform and Pensions (Northern Ireland) Order (S.I. 1999/3147 (N.I.11)).

- (b) for sub-paragraph (b) there shall be substituted—
 - “(b) cases where paragraph (1C) applies;”, and
- (c) for sub-paragraph (e) there shall be substituted—
 - “(e) cases where any liability to provide pensions to an earner has been discharged in accordance with regulations under section 8C of the Act⁽⁶⁾ (transfer, commutation etc.)”.
- (4) After paragraph (2) of that regulation there shall be inserted—
 - “(2A) Where a contributions equivalent premium is required to be paid in respect of an earner by virtue of section 51(2) of the Act, the trustees of the scheme must notify the Inland Revenue of that fact in such form as the Inland Revenue may reasonably require for the purpose of identifying the earner.
 - (2B) Such a notification must be given—
 - (a) where the earner has ceased to serve in employment which is contracted-out employment by reference to the scheme because it is wound up, within two years of the cessation of the scheme, and
 - (b) where the earner has so ceased for any other reason mentioned in section 51(2A) of the Act⁽⁷⁾, within the period beginning one month before and ending six months after the date on which the person so ceases.
 - (2C) The Inland Revenue may in any particular case or class of cases extend the period applicable under paragraph (2B) if it appears to them that the notification could not reasonably have been given within that period.”.
- (5) In regulation 52(1) (time for payment of contributions equivalent premiums) after the words “the trustees”, in the first place they occur, the words “are required or” shall be inserted.

⁽⁶⁾ Section 8C was inserted by article 133(5) of the Pensions (Northern Ireland) Order 1995.

⁽⁷⁾ Section 51(2A) was inserted by article 138(1) of the Pensions (Northern Ireland) Order 1995.