

2006 No. 742

PENSIONS

The Occupational Pension Schemes (Levy Ceiling) Order 2006

Made - - - - 13th March 2006

Coming into force in accordance with article 1

This Order is made in exercise of the powers conferred by sections 178(1) and 315(2) of the Pensions Act 2004(a).

A draft of this instrument has been laid before Parliament in accordance with section 316(2)(f) of that Act and approved by a resolution of each House of Parliament.

Accordingly the Secretary of State for Work and Pensions, with the approval of the Treasury(b), makes the following Order:

Citation and commencement

1. This Order may be cited as the Occupational Pension Schemes (Levy Ceiling) Order 2006 and shall come into force on the day after the day on which it is made.

The levy ceiling

2. For the purposes of section 177 of the Pensions Act 2004 (amounts to be raised by the pension protection levies), the levy ceiling for the financial year beginning on 1st April 2006 is £775,000,000.

Signed by authority of the Secretary of State for Work and Pensions.

13th March 2006

Stephen C. Timms
Minister of State,
Department for Work and Pensions

We approve.

13th March 2006

Dave Watts
Vernon Coaker
Two of the Lords Commissioners of Her Majesty's Treasury

(a) 2004 c.35.

(b) See section 178(2) of the Pensions Act 2004 which provides that an order under subsection (1) in respect of the first financial year for which levies are imposed under section 175 may be made only with the approval of the Treasury.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order specifies, for the purposes of section 177 of the Pensions Act 2004 (c.35) (“the Act”), the levy ceiling for the financial year beginning on 1st April 2006.

Section 175 of the Act provides that the Board of the Pension Protection Fund must impose pension protection levies for each financial year falling after the initial period (as defined by section 174 of the Act). Section 177 of the Act provides for the amount to be raised by the pension protection levies. By virtue of section 177(2) of the Act the amount of the levies for a financial year must not exceed the levy ceiling for that financial year. This Order specifies that the levy ceiling for the financial year beginning on 1st April 2006 is £775,000,000.

A Regulatory Impact Assessment of the impact on business, charities or the voluntary sector of the provisions of this Order has been carried out, and a copy placed in the libraries of both Houses of Parliament. Copies may be obtained from the Department for Work and Pensions, Better Regulation Unit, 4th floor, Adelphi, 1-11 John Adam Street, London WC2N 6HT.

£3.00

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