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STATUTORY INSTRUMENTS

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**2023 No. 113**

**INCOME TAX  
CAPITAL GAINS TAX  
INHERITANCE TAX**

**The Public Service Pension Schemes (Rectification  
of Unlawful Discrimination) (Tax) Regulations 2023**

|   |         |                          |
|---|---------|--------------------------|
| <i>Made</i>                                 | - - - - | <i>2nd February 2023</i> |
| <i>Laid before the House of<br/>Commons</i> | - -     | <i>6th February 2023</i> |
| <i>Coming into force</i>                    |         | <i>6th April 2023</i>    |

**THE PUBLIC SERVICE PENSION SCHEMES (RECTIFICATION  
OF UNLAWFUL DISCRIMINATION) (TAX) REGULATIONS 2023**

PART 1

Introductory

1. Citation, commencement and effect
2. Interpretation

PART 2

Modifications of Part 4 of the Finance Act 2004

CHAPTER 1

Contributions

3. Tax relief on pension contributions paid to Chapter 1 new scheme unaffected

*Status: This is the original version (as it was originally made).*

## CHAPTER 2

### Annual allowance

4. Adjusted income and threshold income calculated on basis of legacy scheme contributions
5. Provision of information by scheme administrators to the Commissioners
6. Annual provision of information by scheme administrator to member
7. Provision of information by scheme administrator to member on request
8. Chapter 1 schemes and judicial 2015 schemes: operation of scheme pays for remedy years
9. Chapter 1 schemes: operation of scheme pays for 2022-23
10. Chapter 1 schemes: scheme pays treated as operated by legacy schemes
11. Chapter 1 schemes: administrative provisions relating to scheme pays
12. Chapter 1 legacy schemes: effect of new scheme benefits election in first pension input period
13. Chapter 1 legacy schemes: effect of new scheme benefits election in later pension input periods
14. Local government new schemes: final salary uplifts ignored in calculating pension input amount
15. Judicial schemes and local government schemes: administrative provisions relating to scheme pays

## CHAPTER 3

### Benefits

16. Protected pension age in Chapter 1 legacy scheme unaffected by new scheme benefits election
17. Protected pension age in Chapter 1 new scheme unaffected by roll-back
18. Pension commencement lump sum: additional lump sum paid to member
19. Trivial commutation lump sum: lump sum already paid
20. Trivial commutation lump sum: additional lump sum paid to member
21. Serious ill-health lump sum already paid: status unaffected
22. Serious ill-health lump sum: additional lump sum paid to member
23. Scheme pension: additional scheme pension paid in respect of deceased member
24. Pension commencement lump sum: additional lump sum paid for deceased member
25. Trivial commutation lump sum: additional lump sum paid for deceased member
26. Serious ill-health lump sum: additional lump sum paid for deceased member
27. Recovery of underpaid lifetime allowance charge by reduction of scheme pension
28. Scheme pension already paid: status of overpaid amount unaffected
29. Pension commencement lump sum already paid: status of overpaid amount unaffected
30. Pension commencement lump sum already paid: repayment of overpaid amount
31. Top-up defined benefits lump sum death benefit treated in same way as original payment

## CHAPTER 4

### Lifetime allowance charge

32. Charges paid by Chapter 1 new schemes treated as paid by Chapter 1 legacy schemes
33. Reporting and payment by public service scheme of charges affected by rectification
34. Application required by schemes to reclaim overpayment resulting from rectification
35. Public service schemes not permitted to apply for discharge of increased charge
36. Public service scheme to be liable where private sector scheme discharged

## CHAPTER 5

### Individual protection 2016

37. Election for new scheme benefits under Chapter 1 scheme taken into account
38. Final salary benefits under local government new scheme taken into account
39. Deadline for provision of information by schemes disapplied

## CHAPTER 6

### Fixed protection 2016

40. Increase in rights as a result of new scheme benefits election ignored
41. Final salary uplift under local government scheme ignored
42. Transfers from PPA in accordance with PSPJOA 2022 ignored

## CHAPTER 7

### Transfers

43. Transfers from PPA in accordance with PSPJOA 2022 treated as recognised transfers

## PART 3

### Modifications of Schedule 15 to FA 2020

44. Tax relief for compensation payments  
Signature  
Explanatory Note