
STATUTORY INSTRUMENTS

2023 No. 113

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

PART 2

Modifications of Part 4 of the Finance Act 2004

CHAPTER 4

Lifetime allowance charge

Charges paid by Chapter 1 new schemes treated as paid by Chapter 1 legacy schemes

32.—(1) Paragraphs (2) to (4) apply where, before the coming into force of section 2(1) of PSPJOA 2022 (and disregarding the effect of that provision)—

- (a) a benefit crystallisation event has taken place in relation to an individual in connection with the individual's entitlement under a Chapter 1 new scheme to any remediable service benefits, and
- (b) the scheme administrator of that scheme became liable under section 217 of FA 2004 (persons liable to the lifetime allowance charge)(1) for a lifetime allowance charge(2) in connection with the benefit crystallisation event.

(2) Any accounting-for-tax return made by the scheme administrator of the Chapter 1 new scheme in respect of the liability, so far as it relates to the remediable service benefits, is to be treated for all purposes—

- (a) as not having been made by the scheme administrator of the Chapter 1 new scheme, and
- (b) as having been made instead by the scheme administrator of the relevant Chapter 1 legacy scheme.

(3) Any payment made by the scheme administrator of the Chapter 1 new scheme in respect of the liability, so far as it relates to the remediable service benefits, is to be treated for all purposes—

- (a) as not having been paid by the scheme administrator of the Chapter 1 new scheme, and
- (b) as having been paid instead by the scheme administrator of the relevant Chapter 1 legacy scheme.

(4) The scheme administrator of the Chapter 1 new scheme must give to the scheme administrator of the relevant Chapter 1 legacy scheme the following information—

- (a) the particulars included in any accounting-for-tax return that the scheme administrator of the Chapter 1 new scheme has previously made in respect of the liability, and
- (b) such further information relating to any such return as the scheme administrator of the relevant Chapter 1 legacy scheme may reasonably request.

(1) Section 217 was amended by paragraph 127 of Schedule 46 to FA 2013, paragraph 22 of Schedule 2 to the Taxation of Pensions Act 2014 and paragraph 5 of Schedule 4 to FA 2015.

(2) For the purposes of Part 4 of FA 2004, "lifetime allowance charge" is defined in section 214 of that Act.

Changes to legislation: There are currently no known outstanding effects for the The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) Regulations 2023, Section 32. (See end of Document for details)

(5) A request under paragraph (4)(b) may be made in relation to accounting-for-tax returns generally, or in relation to a particular return.

(6) In this Chapter “remediable service benefits” means benefits that are calculated by reference to an individual’s remediable service in an office or employment.

(7) When determining, for the purposes of paragraph (6), the benefits that are calculated by reference to an individual’s remediable service in an employment or office, any benefits that result from voluntary arrangements entered into by the individual are to be ignored.

Commencement Information

II Reg. 32 in force at 6.4.2023, see **reg. 1(2)**

Changes to legislation:

There are currently no known outstanding effects for the The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) Regulations 2023, Section 32.