
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 2

Annual allowance

Chapter 1 schemes: operation of scheme pays for 2022-23

9.—(1) Section 237B of FA 2004 (liability of scheme administrator) applies in relation to—

- (a) a Chapter 1 scheme,
- (b) the tax year 2022-23, and
- (c) an individual who has any remediable service in any earlier tax year,

subject to the modifications specified in paragraph (2).

(2) The modifications of section 237B of FA 2004 mentioned in paragraph (1) are as follows—

- (a) the conditions in paragraphs (a) and (b) of subsection (1) are to be treated as met;
- (b) subsection (3) has effect as if for paragraph (a) there were substituted—

“(a) does not exceed—

$$A \times \frac{B}{C}$$

where—

“A” is the amount of the individual’s liability to the annual allowance⁽¹⁾ charge for the tax year;

“B” is the aggregate of the pension input amounts⁽²⁾ for the tax year in respect of arrangements relating to the individual under the pension scheme;

“C” is the aggregate of the pension input amounts for the tax year in respect of arrangements relating to the individual under all registered pension schemes; and”;

(1) For the purposes of Part 4 of FA 2004 (c. 12), section 228 of that Act provides for the annual allowance for the tax year 2014-15 and each subsequent tax year.

(2) For the purposes of Part 4 of FA 2004, the total pension input amount is arrived at by following the provision made by section 229 of that Act. Section 229 also provides for what is meant by the pension input amount in respect of an arrangement.

(c) subsections (4) to (4B) are to be ignored.

(3) In the application of section 237BA of FA 2004 in relation to a scheme pays notice given in relation to a Chapter 1 scheme for the tax year 2022-23 by an individual who has any remediable service in any earlier tax year, the reference in subsection (2) of that section to 31st July is to be read as a reference to 6th July 2025 or, where the condition in paragraph (4) is met, 6th July 2027.

(4) The condition is that—

- (a) the remediable service in question is pensionable under a Chapter 1 legacy scheme, and
- (b) the member is a pensioner or deceased member.

(5) For the purposes of paragraph (4)(b) the member is a pensioner or deceased member if an election under section 6 of PSPJOA 2022 (immediate choice to receive new scheme benefits) has been made, or is capable of being made, in respect of them.