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SCHEDULES

SCHEDULE 4

PENSIONS: LIFETIME ALLOWANCE: TRANSITIONAL PROVISION

PART 2

“INDIVIDUAL PROTECTION 2016”

Modifications etc. (not altering text)

- C1** Sch. 4 Pt. 2 modified (6.4.2023) by [The Public Service Pension Schemes \(Rectification of Unlawful Discrimination\) \(Tax\) Regulations 2023 \(S.I. 2023/113\)](#), regs. 1(2), 37, 38 (with reg. 1(3))

The protection

- 9 (1) Sub-paragraph (2) applies at any particular time on or after 6 April 2016 in the case of an individual if—
- (a) the individual has one or more relevant arrangements (see sub-paragraph (3)) on 5 April 2016,
 - (b) the individual's relevant amount at the particular time is greater than £1,000,000 (see sub-paragraphs (4) and (7)),
 - (c) paragraph 7 of Schedule 36 to FA 2004 (primary protection) does not make provision for a lifetime allowance enhancement factor in relation to the individual,
 - (d) none of the provisions listed in sub-paragraph (5) applies in the individual's case at the particular time, and
 - (e) at the particular time or any later time, the individual has a reference number (see Part 3 of this Schedule) for the purposes of sub-paragraph (2).
- (2) Part 4 of FA 2004 has effect in relation to the individual as if the standard lifetime allowance were—
- (a) if the individual's relevant amount at the particular time is greater than £1,250,000, the greater of the standard lifetime allowance and £1,250,000, or
 - (b) otherwise, the greater of the individual's relevant amount at the particular time and the standard lifetime allowance.
- (3) “Relevant arrangement”, in relation to an individual, means an arrangement relating to the individual under—
- (a) a registered pension scheme of which the individual is a member, or
 - (b) a relieved non-UK pension scheme of which the individual is a relieved member.

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- (4) An individual's "relevant amount" is the sum of amounts A, B, C and D (see paragraphs 10 to 13, but see also sub-paragraph (7)).
- (5) The provisions mentioned in sub-paragraph (1)(d) are—
- (a) paragraph 12 of Schedule 36 to FA 2004 (enhanced protection);
 - (b) paragraph 14 of Schedule 18 to FA 2011 (fixed protection 2012);
 - (c) paragraph 1 of Schedule 22 to FA 2013 (fixed protection 2014);
 - (d) paragraph 1(2) of Schedule 6 to FA 2014 (individual protection 2014);
 - (e) paragraph 1(2) of this Schedule (fixed protection 2016).
- (6) Sub-paragraph (7) applies if rights of an individual under a relevant arrangement become subject to a pension debit where the transfer day falls on or after 6 April 2016.
- (7) For the purpose of applying sub-paragraph (2) in the case of the individual on and after the transfer day, the individual's relevant amount is reduced (or further reduced) by the following amount—

$$X - (Y \times Z)$$

where—

X is the appropriate amount,

Y is 5% of X, and

Z is the number of tax years beginning after 5 April 2016 and ending on or before the transfer day.

(If the formula gives a negative amount, it is to be taken to be nil.)

- (8) In sub-paragraphs (6) and (7) "appropriate amount" and "transfer day", in relation to a pension debit, have the same meaning as in section 29 of WRP(A) 1999 or Article 26 of WRP(NI)O 1999 (as the case may be).

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. 19 para. 12(5)(b) inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(c\)](#)
- Sch. 19 para. 12(5)(a) word inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(b\)](#)
- Sch. 19 para. 51(8)(b) words inserted by [2017 c. 32 Sch. 14 para. 48\(2\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(a\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(b\)](#)
- Sch. 19 para. 12(5)(a) words renumbered as Sch. 19 para. 12(5)(a) by [2017 c. 32 Sch. 14 para. 49\(2\)\(a\)](#)
- Sch. 19 para. 58(1) words substituted by [2017 c. 32 Sch. 14 para. 48\(5\)](#)
- Sch. 20 para. 1(4)(e) inserted by [2021 c. 26 Sch. 27 para. 47\(2\)](#)
- Sch. 20 para. 3(3)(d) and word inserted by [2021 c. 26 Sch. 27 para. 47\(3\)\(b\)](#)
- Sch. 20 para. 5(5) inserted by [2021 c. 26 Sch. 27 para. 47\(5\)](#)
- Sch. 22 para. 2(4B) inserted by [2021 c. 26 Sch. 27 para. 48\(2\)\(c\)](#)
- Sch. 22 para. 3(4A) inserted by [2021 c. 26 Sch. 27 para. 48\(3\)](#)