

ANNUAL ALLOWANCE AND DB TRANSFER-IN CREDITS

At the Pensions Industry Stakeholder Forum this week, at which ACA was represented, HMRC gave an update on the issue of **Annual Allowance and DB transfer-in credits** (see items on this page dated 6 February and before that on 2 January 2013).

HMRC may publish comment directly themselves in due course, but aware of our members' keen interest in this issue, here is our rep's note of the oral update given:

HMRC stated that they are working on solving the issues arising from the law as it stands on AA and DB transfer credits. They said that appreciate the urgency and many concerns; and have taken three key messages from the consultation submissions: the mismatch between how HMRC and some stakeholders read the current law; the benefit of applying a solution with retrospective effect (HMRC are actively considering but warn that they are subject to the usual Human Rights Act constraints on retrospection); and the need for the right solution meaning that it is appropriate to take the time to get to it.

*HMRC have had a lot to sift through, and the next steps are a week of discussion meetings to get more views from the private and public sector; **and then HMRC hope to release a new draft Order for consultation in early June for further discussion.***

On the other items in the original draft "AA Order", changes are being worked through following useful comments from the consultation.

Date: 1 May 2013