



Department for
Communities and
Local Government

LGPS Pension Managers

Our Ref:
Your Ref:

12 September 2012

Dear Sir/ Madam,

Local Government Pension Scheme : GAD Guidance : Annual Allowance Tax Charge, Scheme Pays (FINAL) Dated 6 September 2012

The Government Actuary's Department (GAD) has issued a Final version of the above guidance dated 6 September 2012 for use by all LGPS Pension Managers.

These are referred to in Lynda Jones letter of 10 August (which encloses a copy of the Statutory Instrument SI 2012 no. 1989 entitled the Local Government Pension Scheme (Miscellaneous) Regulations 2012). The paragraph headed "Regulation 38 and 39 – Annual benefit statements and tax charges – Administration Regulations 68 and 68A" refers. This introduces changes to the scheme to ensure that administering authorities comply with the new tax regime in terms of issuing annual benefits statements which will show whether or not members have exceeded the Annual Tax Allowance.

It has been decided as a matter of policy that the effective date in the attached guidance will be the first day of the input period, following the input period which relates to the tax charge, other than in cases where a member has already retired where authorities have already been advised on how to process cases.

I am sending a copy of this letter to Jeff Houston, Director of Pensions Local Government Employers Organisation for information.

Yours faithfully,

A J Lankester
Workforce Pay and Pensions

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