HM Revenue & Customs

Minutes of meeting held on 22 April 2020

Held by teleconference

Attendees:

Name	**Company**
Katharine Lindley	Association of Taxation Technicians
Sarah Hawkins	Association of Member-directed Pension Schemes
Stacey Bradley	Zurich
Daniel Gallon	Association of British Insurers
Brian Thorne	Society of Pension Professionals
Susan Cattell	Institute of Chartered Accountants of Scotland
Karen Johnson	Investment and Life Assurance Group
Karen Goldschmidt	Association of Consulting Actuaries
Samantha Mann	Chartered Institute of Payroll Professionals
Clive Weber	Association of Pension Lawyers
Larry Darby	Low Incomes Tax Reform Group
Paddy Millard	Tax Help for Older People
Ian Neale	Aries
Richard Wyatt	Chartered Institute of Taxation
Daniel McKissack	Pensions and Lifetime Savings Association
Paul Garwood	Institute of Chartered Accountants in England and Wales
Dave Sadler	Aviva
Guy Hooper (Chair)	HMRC
Daniela Paul	HMRC
Anne Smith	HMRC
John Bhandal	HMRC
Mike Simmons	HMRC
Sarah Mee	HMRC
Shannon Seymour	HMRC
Kathryn Robertson	HMRC
Neil Chattell	HMRC
Julie De Brito	HMRC
Christiana Daly	HMRC

Apologies from: Renny Biggins (The Investing and Saving Alliance)

Agenda Item 1 Welcome, introductions and actions

1. The Chair introduced himself, welcomed attendees and introduced HMRC attendees. The Chair acknowledged that exceptionally, this meeting was being held as a teleconference.

2. There were no questions or comments from attendees on the last minutes and the Chair confirmed that these had been published on GOV.UK.

3. The action points from the last meeting were all closed.

Agenda Item 2 Temporary changes to pension processes as a result of coronavirus (COVID-19)

4. HMRC has received questions about the pension tax rules as a result of the challenges posed by coronavirus (COVID-19). HMRC is considering these requests however is not in a position to answer every question straightaway. HMRC has provided help to scheme administrators already and will continue to publish guidance in Pension Schemes Newsletters.

5. HMRC explained that so far guidance has been published in Pension Schemes Newsletter 118 covering:

   - rent and loan payment holidays
   - relief at source repayment claims
   - R63N repayment requests
   - relief at source excess relief
   - quarter 1 Accounting for Tax (AFT) returns for 2020 to 2021
   - reporting overseas transfers – APSS262

6. HMRC continues to review the rules and will provide further updates in future Pension Schemes Newsletters. HMRC explained that another newsletter will be published shortly.

7. HMRC asked attendees if they had any questions they'd like to ask regarding the pension tax rules as a result of the coronavirus (COVID-19).

8. One attendee asked if there would be any flexibility around the reporting deadline for the Pensions Savings Statement. The attendee explained concerns from certain schemes over whether employers will be able to provide information to the scheme in time and the impact that this would have on scheme administrators providing Pension Savings Statements by the legislative deadline.

9. HMRC explained that this won't be covered in the next Pension Schemes Newsletter. However, it is something that HMRC will look at over the next few weeks and if there is any relaxation to the rules, HMRC will provide information on this in a future newsletter.

10. Another attendee pointed out that if Pension Savings Statements are delayed, then the ability for people to assess their tax and report contributions in excess of the annual allowance to HMRC will also be delayed. The attendee appreciated that HMRC doesn't have the opportunity for easing deadlines for paying tax.

11. HMRC will consider these points when discussing this issue and if there are any temporary changes as a result, will include these in a future update.

12. One attendee explained that they'd had correspondence with HMRC on valuations for properties within SIPPs and SSASs. The attendee explained difficulties because in the current climate valuers can't go out on site to value properties, which means that scheme administrators are unable to get a true market value when it comes to crystallising benefits. The attendee asked if there would be any flexibility on what a true market value is over the next few months?

13. HMRC plans to include an update on valuations in the April 2020 Pension Schemes Newsletter due for publication at the end of April 2020.

14. In addition to the valuation point one attendee made reference to the suspension of several funds, in particular those linked to property funds and the impact this has on the ability to pay in certain instances. The attendee explained that the age 75 benefit crystallisation (and valuations for lifetime allowance) can't be deferred which makes it difficult for scheme administrators.

15. The attendee also referred to the impact that the current situation had on a scheme administrator's ability to make certain payments (for example small lump sums) due to the requirement that the funds within an arrangement or the funds from the scheme must be extinguished by the payment. The attendee asked if there would be any relaxation to these rules.

16. HMRC are considering these points but this won't be covered in the Pension Schemes Newsletter at the end of April 2020. HMRC will continue to review this and if there are any temporary changes as a result, will include these in a future Pension Schemes Newsletter.

17. One attendee referred to communications from the Financial Conduct Authority (FCA) on not disadvantaging customers over the long term and making sure that decisions taken are favourable. The attendee referred to the ability to use cooling off periods and how these align with the pension tax rules particularly relating to pension commencement lump sums. The attendee asked what discussion HMRC has had with the FCA around this point and if there's anything HMRC can share with attendees on linking the

regulatory objectives and prescriptive tax rules.

18. HMRC explained its initial focus has been on action that can be taken to help people immediately with things like valuations and similar issues. However, HMRC is aware that pension schemes and their members will be affected in the longer term. HMRC is working with HM Treasury, Department for Work and Pensions (DWP), The Pensions Regulator FCA and other organisations to gather information and to look at what can be done collectively to help, both in the long and short term and will provide any updates on this work in due course.

Agenda Item 3 Raising standards in the tax advice market: call for evidence

19. HMRC is aware of interest from attendees in the call for evidence on raising standards in the tax advice market.

20. HMRC explained that in March 2020 the call for evidence was published on raising the standards of tax advice in the market. HMRC explained that this is a very open call for evidence and currently HMRC is gathering information. HMRC is approaching the work by breaking this into a number of sections including:

- Defining tax advice and tax services and acknowledging that tax advice and tax services happen in different ways
- The value added by good tax advisers and the benefits they bring
- The impact of poor practice

21. HMRC explained that one new area is consumer protection, whether there should be protection for people who pay for tax advice. HMRC wants to learn lessons from other places where market interventions have been considered and introduced and to understand the impacts of this. This includes looking outside the UK to see how other countries have approached this problem and the solutions that have been put in place.

22. HMRC also wants to explore ideas for raising the current standards which are generally dealt with through the HMRC standards for agents and the professional conduct in relation to tax which is managed by professional bodies.

23. HMRC explained that originally the call for evidence was opened for a ten-week period, due to end some time in May 2020, however due to coronavirus (COVID-19) HMRC expects this to be extended to provide more time for interested parties to provide the evidence HMRC needs.

24. HMRC will engage with and speak to interested parties to discuss what types of evidence HMRC is looking for and how people can contribute.

25. Attendees thanked HMRC for the update and a number of attendees provided feedback and thoughts on this.

26. One attendee explained the pensions industry understands HMRC's perspective – the importance that advice is good quality and the risk that scams can be dressed up as tax guidance to avoid regulatory requirements for advice

27. The attendee went on to explain concerns around where the distinction between tax advice and tax guidance is drawn - what needs to be regulated as tax advice by qualified tax advisers and what falls outside of that. The attendee explained that currently, lots of work is carried out by individuals who aren't regulated as tax advisers, for example for trustees of registered pension schemes. These individuals may have professional qualifications which are not tax related – but have appropriate codes of behaviour and competence

28. The attendee gave an example of an actuary (a member of a profession with a code) who does not have an explicit tax qualification but has in-depth knowledge of the pensions tax regime and works with colleagues as part of the overall services that help pension schemes operate (for example, actuarial advice, pension scheme third party administrators). The actuary helps pension trustees and employers on tax issues relating to delivering benefits under the pensions tax regime. The actuary also provides feedback and input to HMRC and HM Treasury on experience and concerns on the workings of the pensions tax legislation to assist their operation.

29. The attendee hoped that HMRC understands this within the consultation and hoped that the activities that these types of professionals are carrying out would fit into guidance rather than advice and that HMRC would not impose constraints on something that currently works.

30. The attendee gave a further example – work to help pension scheme clients determine the maximum tax-free lump sum that can be paid from a scheme, taking account scheme and benefit structure and how they fit with the Finance Act. The attendee hoped that this assistance would be considered a tax service and not tax advice, although acknowledged that it's telling pension schemes how to behave within tax law and relies on understanding how the tax rules work. The attendee felt that this should sit under the regulatory regime of service rather than advice. If HMRC doesn't consider this to be the case, the attendee requested a sensible, simple authorisation regime that doesn't rely on being a reserved activity for tax advice.

31. These points and concerns were shared by other attendees.

32. Attendees explained that people and companies working within the pensions industry carry out similar functions and have a huge amount of knowledge of the complex pension tax regime, but not as qualified tax advisers. Attendees

were keen to understand where actuaries, lawyers, and PMI qualified individuals (who aren't qualified tax advisers but work within the pensions tax space and are key to operating the regime) fit in. Attendees stressed the importance that the approach taken does not have unintended consequences or disproportionate requirements.

33. Another attendee asked for consideration and detail of how any new regulatory regime for tax purposes would align with the existing regulatory framework for pensions advice.

34. The attendee asked if the concern is that the existing standard of tax advice in pension transactions is considered a significant risk to the Exchequer and if this is the case, any resulting action could lead to additional burden on the industry

35. Another attendee explained that currently different regulatory bodies work in different ways and asked that any additional regulation or action taken is proportionate to avoid any unnecessary additional administrative costs or burdens.

36. Another attendee referred to the existing regulation on pension lawyers and solicitors. Legal engagement letters often set out whether tax advice is part of the service provided. The attendee asked if one option would be to consider regulation based on the type of transaction being carried out. The attendee explained that registered pension schemes are already heavily regulated whereas other financial structures may not have the same level of regulation in place.

37. The attendee explained that in practice law firms deal with tax in many different areas including matrimonial, commercial, banking etc. and that there are tax elements to work in most of these areas, so to write in a whole regime will impact considerably if it sits on top of existing regulation.

38. Attendees welcomed a possible extension on the time limit for contributing to the call for evidence. The attendee provided an additional example of pension administrators who interact with HMRC on behalf of their clients when dealing as authorised practitioners and reiterated the need to ensure that there are no unintended consequences around the implementation of this.

39. The attendee also commented that some of the examples provided in the call for evidence paper came close to fraud related activity and felt that this kind of activity may not be eliminated by what's introduced. The attendee felt that if an individual breaks the law intentionally then they may continue to do so irrespective of any new regime that's introduced.

40. HMRC recognises these concerns and is approaching the call for evidence and follow-on action with these in mind. HMRC will consider both the standards of advice and protection for consumers when reviewing responses to the call for evidence and looking at the extent of possible frameworks.

41. HMRC thanked attendees for comments and welcomed responses to the call for evidence to help when considering the different services people provide and different roles that people carry out. HMRC is aware that tax may only be one part of an individual/company’s role and that these individuals may be subject to conduct and professional standards for other industry and is keen to hear from these stakeholders to understand what the impacts would be if changes are made.

42. HMRC wants to understand the impact of introducing different changes, identify where to draw the line and what the impact would be for customers falling either side of that line.

43. HMRC confirmed that this piece of work is currently at the information gathering stage. Once the call for evidence has closed, HMRC will pull the responses together and, subject to ministerial decisions, expects to consult on some of those options in more detail in the normal way before any final decision is made.

44. HMRC recognises that this is large and complex area and is speaking to other stakeholders on this, such as colleagues in The Department for Business, Energy and Industrial Strategy, Financial Reporting Council and Financial Conduct Authority to understand different perspectives.

45. HMRC thanked attendees for their comments and encouraged attendees to respond to the call for evidence particularly on the range of activities undertaken by individuals and companies and the tax advice/tax guidance distinction. HMRC also welcomes responses on unintended consequences to ensure that as many of these as possible are factored in when deciding on a solution.

46. HMRC emphasised it’s focus of taking time to understand and explore the big picture rather than rushing to a quick solution.

47. HMRC hopes that attendees are reassured about this piece of work and have a steer on how they can feed into the call for evidence. HMRC is happy to revisit this with attendees in more detail at a future date once they’ve had time to consider.

[HMRC Update: The deadline for responses to the Call for evidence: raising standards in the tax advice market has been extended to 28 August 2020]

Agenda Item 4 Policy Team update

Spring Budget 2020

48. HMRC referred to announcements in Spring Budget 2020 held on 12 March 2020. HMRC explained that most of the announcements were about the economy and coronavirus (COVID-19) but there were a few pension tax

announcements.

Changes to the tapered annual allowance

49. HMRC referred to the changes the Chancellor announced to the annual allowance taper thresholds that determine whether a pension scheme member is subject to the tapered annual allowance. Both the threshold and adjusted income were increased from 6 April 2020 by £90,000.

    So from 6 April 2020:

    - the threshold income increases to £200,000
    - the adjusted income increases to £240,000

50. HMRC also confirmed that the amount that the annual allowance can be tapered down to (so the minimum tapered annual allowance) was reduced from £10,000 to £4,000 and this will also apply from 6 April 2020.

51. These changes were included in the Finance Bill which was introduced to parliament shortly after Spring Budget 2020 and HMRC confirmed this is due for a second reading. HMRC can't provide a date for this but is expecting this imminently.

Lifetime Allowance

52. HMRC referred to the budget announcement confirming that the lifetime allowance would increase in line with the Consumer Price Index. So, for tax year 2020 to 2021 the lifetime allowance is £1,073,100. HMRC explained the Treasury Order introducing that change was laid at the end of March 2020 so this is now legislated for. HMRC acknowledged requests to announce this earlier but were restricted due to the timing of the budget.

Relief at source call for evidence

53. HMRC explained that the government also announced a call for evidence on how to address the different outcomes for lower earners, depending on whether their employer's pension scheme uses the net pay or relief at source method of tax relief on their pension contributions.

54. HMRC appreciates that members of the forum want to know when this will be published, however HMRC can't confirm when this happen. HMRC explained that timelines for publishing calls for evidence as well as other consultations are having to be reconsidered because of the coronavirus (COVID-19) response. HMRC hopes that will be published soon and will let attendees know when this is live.

55. One attendee asked for clarification on the reason for the relief at source call for evidence. The attendee referred to a solution using RTI that had been

previously identified to address the different outcomes for lower earners.

56. HMRC explained that a number of solutions have been identified but none of these are simple. Those that initially seem simple to implement prove to be more complex and more expensive when it comes to the detail. The call for evidence provides the government with the opportunity to set out proposed solutions, articulate the issues and difficulties with these and consider alternative solutions. The government will then decide how to take this forward.

Relief at source regulations

57. HMRC knows that the relief at source regulations are causing other problems for some pension schemes. HMRC had acknowledged this at a previous meeting of the forum and explained its intention to look at the regulations with a view to consider these alongside the processes and bring these up to date. HMRC explained the regulations will still be considered, however HMRC has put this work on hold pending the outcome of the call for evidence. If any additional changes are needed as a result of the call for evidence, all changes to the regulations can be made at the same time. HMRC reassured attendees that his hadn't been forgotten.

58. HMRC also encouraged attendees to add any thoughts they may have on the relief at source regulations, into comments in response to the relief at source call for evidence. Or attendees can send these on to HMRC at Pensions.policy@hmrc.gov.uk

Collective defined contributions schemes

59. HMRC referred to the budget announcement that tax changes would be made to accommodate a new type of pension scheme – the collective defined contribution pension scheme. This type of pension scheme is being introduced by the Pension Schemes Bill 2019/2020. HMRC can't finalise changes to the pensions tax rules until the Pension Schemes Bill receives Royal Assent but hopes attendees are reassured that HMRC will amend the tax rules so that these types of schemes can operate similarly to defined benefits and defined contribution schemes.

60. One attendee asked what the process would be for implementing the tax changes, will HMRC publish draft legislation for comment?

61. HMRC confirmed that there will be technical consultation and possibly other informal consultation with the pensions industry before it goes into the Finance Bill.

Guaranteed Minimum Pension equalisation (GMPe)

62. HMRC referred to the recent publication of the first tranche of guidance on the tax implications GMPe. HMRC acknowledged that the ruling in the Lloyds

case was published back in 2018 and understands that people have been waiting for HMRC guidance on this.

63. HMRC referred to the complexities relating to GMPe, explained that it took time to work through the tax implications around GMPe and thanked the Working Group for their help and input into this.

64. HMRC published guidance in February 2020 which supports the guidance in the Pensions Tax Manual. HMRC appreciates that this guidance only extends to the dual record keeping methods for equalisation and didn't cover conversion. HMRC explained that this was mainly because conversion can do more than equalise scheme benefits and may involve broader changes including the reshaping of non-GMP scheme benefits, so the position is even more complicated than that for the dual record keeping approach.

65. HMRC explained that as such, the effects of conversion within the pension tax rules require much broader consideration (including DWP and HM Treasury) and further detailed work.

66. HMRC hopes to publish a second tranche of guidance in May 2020 which will cover payments of lump sums including trivial commutation lump sums, small pots and lump sum death benefits. HMRC explained that again, this guidance will only extend to those schemes that use the dual record method for equalisation.

67. HMRC will wait for judgement in the upcoming further Lloyds Bank case before considering publishing guidance on transfers.

Reporting non-taxable death benefits

68. One attendee asked for an update on regulations to mandate the reporting of non-taxable death benefits. The attendee explained that some third-party suppliers have asked for this as they only intend to report these payments when it becomes mandatory to do so. The attendee asked for information on timescales for planning purposes.

69. HMRC still hopes to lay these regulations soon but currently it's difficult to give a timescale for this. HMRC will continue to push to get these regulations laid as soon as possible but doesn't expect to be in a position to make and lay these regulations until after the summer recess.

Agenda Item 5 Project Team Update

Managing Pension Schemes Service

70. HMRC has launched the AFT return onto the Managing Pension Schemes service and explained that scheme administrators can now compile AFT

returns in-quarter for schemes registered using the service.

71. HMRC explained that on the Pension Schemes Online service, scheme administrators can only start to compile their return once the AFT quarter had ended. On the Managing Pension Schemes service, scheme administrators can start to compile AFT returns from the beginning of the quarter, so from 1 April 2020.

72. Scheme administrators can enter details on their AFT return as and when they happen and save these. The details will be available on the return indefinitely. HMRC will introduce the ability to be able to submit an AFT return through the Managing Pension Schemes service from 1 July 2020. HMRC explained that whilst scheme administrators will be able to compile an AFT return in-quarter, they'll only be able to submit a return once the return quarter has ended.

73. HMRC referred to the cancellation of the Managing Pension Schemes workshops scheduled for mid-March 2020, as a result of coronavirus (COVID-19) but explained that the slides had been circulated to those who had been due to attend these sessions.

74. HMRC has taken onboard feedback from previous workshops and updated some of the content and screen design of the AFT return as a result of this to reflect user needs. HMRC circulated the outputs and feedback from the earlier workshops and asked anyone with questions or additional feedback to send these through to HMRC at pensions.administration@hmrc.gov.uk

75. HMRC outlined the current work on the 1 July 2020 AFT IT release which includes:

- submitting the AFT return
- viewing different versions of the AFT return
- viewing amended details and member details

76. HMRC explained that scheme administrators will be able to see what's changed from one return to the next, for example they'll be able to see any new members added, members that have been deleted or any member details that were changed.

77. HMRC is currently carrying out user testing on this functionality and encouraged any scheme administrators who want to see what the screens look like and to have the opportunity to input into the design, to volunteer for user research by emailing pensions.administration@hmrc.gov.uk.

78. One attendee commented on the challenge facing pension schemes and administrators that, as a result of GMPe, schemes will have to go back and correct past AFT returns - some on the new system but the majority on the Pension Schemes Online service. HMRC will take this on board.

79. HMRC went on to explain that as a result of the response to coronavirus (COVID-19) HMRC’s plans for delivering additional functionality onto the Managing Pension Schemes service beyond July 2020 will now be delayed.

80. HMRC is working to understand the length of the delay and impacts of this and as soon as the detail is available will communicate this in a pension schemes newsletter.

81. HMRC asked attendees for questions on the Managing Pension Schemes service. One attendee asked if HMRC had given any more thought to the question of single practitioner IDs. The attendee explained that this was causing concern for outsource service providers and scheme administrators who have multiple outsource service providers.

82. HMRC explained that the design of the ‘register once, subscribe many’ is an HMRC-wide design that’s used for all services which is why this is included in the Managing Pension Schemes service. HMRC is currently working through different scenarios looking at options on how to help with this issue.

Relief at source

83. HMRC has just completed the issuing of the latest Notification of Residency Status reports. HMRC explained that it took longer than anticipated this year, but all reports were issued by the end of February 2020.

84. HMRC explained there are a couple of changes this year. HMRC referred to the reminder included in Pension Schemes Newsletter 117 that from April 2020 there’s only one version of the annual return of information that can be submitted for 2019 to 2020 return. HMRC referred to the one-year concession for the 2018 to 2019 return where scheme administrators could use either the old version or the new version and explained that any annual returns of information submitted on the old version will be rejected.

85. HMRC encouraged attendees to use the version of the annual return of information on GOV.UK and to delete saved versions from previous years.

86. HMRC also reminded attendees to correctly reference their annual return of information files and subfiles using the new referencing that starts with 21. HMRC explained that any files submitted using the old referencing (so from 01 to 20) will be rejected straight away with an instruction to resubmit using the correct reference. HMRC explained that scheme administrators can find guidance on what referencing to use on GOV.UK. Pension Schemes Newsletter 117 has links to this.

Annual allowance calculator

87. HMRC referred back to the Spring Budget 2020 announcement on changes to the tapered annual allowance income amounts and explained that because these will take effect from 6 April 2020, HMRC has updated the annual allowance calculator and supporting guidance to reflect the new income amounts.

88. HMRC doesn't expect many people to be using the calculator at this stage for the 2020 to 2021 tax year but if they are, this is up to date. HMRC confirmed that this will be covered in Pension Schemes Newsletter 119 due for publication around midday on 30 April 2020 and will include other articles about temporary changes to pensions processes as a result of coronavirus (COVID-19).

89. One attendee asked if there would be any changes to the Pensions Tax Manual accompanying publication of this newsletter. HMRC explained that because the changes to pension processes as a result of the coronavirus (COVID-19) are temporary the Pensions Tax Manual won't be amended but the changes will be covered in Pension Schemes Newsletters.

90. HMRC confirmed that the Pensions Tax Manual had already been updated to cover the Managing Pension Schemes service changes and the new tapered annual allowance amounts. HMRC will continue to periodically update the Pensions Tax Manual but confirmed that there are no imminent updates planned.

Agenda Item 6 Any Other Business

Overseas transfer charge and transfers to Gibraltar

91. One attendee raised a question about the overseas transfer charge and transfers to Gibraltar. One of the exemptions for the overseas transfers charge is that members can transfer from the UK to within the European Economic Area (EEA) without incurring an overseas transfer charge. From 31 January 2020, HMRC updated the Pensions Tax Manual to reflect that the exemption continues to apply in these cases. The legislation doesn't take effect until the end of the year, but the attendee explained that because the legislation hasn't been updated correctly if a member transfers from the UK or EEA to Gibraltar the overseas transfers charge will still apply.

92. HMRC confirmed that the intention is for transfers to Gibraltar to treated in the same way as they were before leaving the European Union. HMRC explained that the Pensions Tax Manual represents the current position but HMRC is happy to consider amending this for clarity.

93. HMRC confirmed there is no HMRC intention to remove Gibraltar from the exemption either during or after the implementation period. HMRC explained that if there is an issue with timing and the legislation, HMRC will revisit this with Policy colleagues.

94. The attendee asked if that meant HMRC would not impose any overseas transfer charges on transfers from the UK to Gibraltar. HMRC confirmed that providing all other conditions are met, it would not impost an overseas transfers charge on the Gibraltar point alone.

95. Another attendee asked if HMRC could include confirmation of this in a pension schemes newsletter and HMRC agreed to do this.

Action point 1 – HMRC to include an article in Pension Schemes Newsletter 119 covering the overseas transfers charge and transfers to Gibraltar.

[Closed – HMRC published an article on this on 30 April 2020 in Pension schemes newsletter 119 – April 2020]

Real time information reporting and end of year updates

96. One attendee explained that scheme administrators are expecting earlier year updates (EYU) for corrections to earlier year Real Time Information reports to be replaced by amended or updated full payment submission (FPS) instead. The attendee asked when, for what tax year, the use of FPS becomes mandatory.

97. HMRC confirmed that the first year for FPS submission only is 2021 (so the current tax year). The attendee noted that scheme administrators would need to have everything in place by the start of 2021 to 2022 tax year to be able to submit an amended or updated FPS for the current year.

98. HMRC confirmed that this is the case and explained that for the tax years 2018 to 2019 and 2019 to 2020 scheme administrators can use either EYU or FPS but for tax years 2020 to 2021 onwards scheme administrators can only use FPS.

Pension Scheme Return (PSR) Notices for 2019 to 2020

99. One attendee asked about PSR Notices. Usually HMRC issues these very soon after the end of the tax year, however the attendee noted that none had been received yet. The attendee asked if there had been any delays in issuing these?

100. HMRC confirmed that there will be an update on PSR Notices to file for 2019 to 2020 in Pension Schemes Newsletter 119.

Superfunds

101. Another attendee asked if there had been discussion within HMRC on superfunds and the implications of these? Has anything been identified on this?

102. HMRC explained that it can only work within the existing legislation and that a superfund doesn't exist in pensions tax legislation. From a pensions tax perspective, the question is whether the scheme meets the definitions to be a registered pension scheme and whether that is registered and operates accordingly. It's for DWP and HM Treasury to decide whether to introduce any legislation to define a superfund.

103. HMRC confirmed that if DWP and HM Treasury do change anything, HMRC will review the pension tax rules and corporation tax rules accordingly, consider how the superfund model sits within these and if necessary make any changes.

104. HMRC commented that others in HMRC were considering the corporation tax position for superfunds.

Contact point for technical queries

105. One attendee wanted check the best route for making technical queries.

106. HMRC confirmed the route for raising pension scheme enquiries

[Note: Enquiries can also be submitted to pensionschemes@hmrc.gov.uk]

Advice on historic legislation

107. One attendee explained they had heard that HMRC would not advise on legislation that took effect over 6 years ago such as Finance Act 2004. Is this correct?

108. HMRC attendees weren't aware of this rule and will continue to provide guidance to queries that meet the clearance criteria.

Close

109. The Chair thanked attendees of the meeting and explained that HMRC hopes to hold the next Pensions Industry Stakeholder Forum face to face in October 2020. This will depend on social distancing and HMRC will tailor the format in line with government guidance.

110. The Chair explained that this was his last Pensions Industry Stakeholder Forum as he is leaving HMRC, but Andrew Edwards will be taking over as the deputy director of Pensions, Savings and Charities for HMRC and will be chairing the October 2020 meeting.