HMRC - STSM082090 - Pension Fund Pooling Schemes

A unit trust scheme operating as a pension vehicle may fulfill certain criteria, enabling it to qualify as a Pension Fund Pooling Vehicle (see SI 1996/1584 ).

The conditions are set out in statutory instrument SI 1996/1585/REG4, as amended by SI 2006/745 .

When a Pension Fund Pooling Vehicle (PFPV) is established it must seek approval from:

Pension Schemes Services

If approval is granted, Pension Schemes Services will notify Stamp Taxes Policy, who keep records of qualifying PFPVs.

If a unit trust meets the conditions of a PFPV, it will not be treated as a unit trust scheme for stamp duty or SDRT purposes. This enables investors both to contribute and withdraw investments from a PFPV without incurring ad valorem stamp duty or SDRT. That is, the units issued as consideration are not treated as stock for stamp duty purposes or as chargeable securities for SDRT.

The regulations governing PFPVs allow them to be treated in the same way as Common Investment Arrangements for stamp taxes purposes. Without these regulations, the schemes would be treated as unit trust schemes, being collective investment schemes under which property is held on trust for the participants.

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