



**INCOME TAX ACT 1970  
INCOME TAX (RETIREMENT BENEFIT SCHEMES) ACT 1978  
AND  
INCOME TAX ACT 1989**

**INCOME TAX (APPROVED PENSION SCHEMES) (RATE OF TAX  
ON TRIVIAL COMMUTATION LUMP SUMS)  
ORDER 2008**

*Approved by Tynwald*

*16<sup>th</sup> July 2008*

*Coming into operation in accordance with article 1(2)*

In exercise of the powers conferred on the Treasury by section 1(3A) of the Income Tax Act 1970<sup>1</sup>, section 10B(2) of the Income Tax (Retirement Benefit Schemes) Act 1978<sup>2</sup>, section 22B(2) of the Income Tax Act 1989<sup>3</sup> and of all other enabling powers, the following Order is hereby made:-

**Citation and commencement**

- (1) This Order may be cited as the Income Tax (Approved Pension Schemes) (Rate of Tax on Trivial Commutation Lump Sums) Order 2008.
- (2) This Order shall come into operation on the day on which it is approved by Tynwald and shall have effect in respect of the income tax year commencing 6<sup>th</sup> April 2008 and subsequent income tax years.

**Rate of Tax**

- The rate of income tax prescribed for the purposes of section 10B(2) of the Income Tax (Retirement Benefit Schemes) Act 1978 and under section 22B(2) of the Income Tax Act 1989 is 10%.

Made this 11<sup>th</sup> day of *June* 2008

Minister for the Treasury

<sup>1</sup> Vol. XXI p.260

<sup>2</sup> 1978 c.9

<sup>3</sup> 1989 c.10

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**EXPLANATORY NOTE**  
(This note is not part of the Order)

This order confirms the rate of income tax payable in respect of the commutation of pension on the grounds of triviality, which will be equal to the lower rate of income tax payable by a non-corporate taxpayer.