

Establishing a stakeholder pension scheme notes

To operate as a stakeholder pension scheme, the trustees or stakeholder manager must register the pension scheme with:

- us, at HM Revenue & Customs, Pension Schemes Services (Nottingham), (HMRC PSS (Nottingham)), and
- The Pensions Regulator.

A scheme must contract-out to operate as a stakeholder pension scheme.

Please refer to the Registered Pension Schemes Manual (RPSM) alongside these Notes. The manual provides detailed information on tax registration and the contracting-out process, as well as the continued operation of stakeholder pension schemes once registration has been granted.

To read or obtain a copy of the manual go to www.hmrc.gov.uk

Forms you need to complete for The Pensions Regulator

SHP100 *Application to register as a stakeholder pension scheme with The Pensions Regulator*

The purpose of this form is to enable a scheme to register as a stakeholder pension scheme. A scheme is required to register under section 2 of the Welfare Reform and Pensions Act 1999 and/or Article 4 of the Welfare Reform and Pensions (Northern Ireland) Order 1999 SI 1999/3147 (N.I. 11). A scheme will only be registered as a stakeholder pension scheme if it meets the conditions set out in section 1 of that Act, and the Stakeholder Pension Schemes Regulations 2000 SI 2000/1403 as amended and/or the Stakeholder Pension Schemes Regulations (Northern Ireland) 2000 SR 2000 No. 262 as amended and other applicable regulations.

SHP104 *Scheme trustee questionnaire*

A copy of this form should be completed by each trustee or each director of a corporate trustee if the stakeholder pension scheme is established under trust. This is so that the Pension Regulator can check that people are not disqualified from being a pension scheme trustee under section 29 of the Pensions Act 1995 and/or Article 29 of the Pensions (Northern Ireland) Order 1995 SI 1995/3213 (N.I. 22). It is a criminal offence for a person to act as a trustee of a stakeholder pension scheme while disqualified.

This form should either be completed at the time of the stakeholder application, or later if appointing new trustees or directors of corporate trustees.

It is the applicant's responsibility to ensure that all relevant Scheme trustees' questionnaires are completed and submitted with the form *SHP100 Application to register as a stakeholder pension scheme with The Pensions Regulator*

If you require copies of these forms you should go to www.hmrc.gov.uk to print off copies.

Registering the scheme with HM Revenue & Customs

Since the introduction of E mandation on 16 October 2007, it is mandatory for scheme administrators to register their pension scheme for tax relief and exemptions electronically using the Pension Schemes Online service. To do this, the scheme administrator will need to register to use the online service.

To register, the scheme administrator should go to www.hmrc.gov.uk and select 'Pension Schemes' from the 'do it online' menu.

Once the scheme has been successfully registered with HMRC, the scheme can:

- elect to contract-out
- register to operate Relief at Source
- register with The Pensions Regulator

in order to be approved as a stakeholder pension scheme.

Forms you need to complete for HM Revenue & Customs

APSS101 *Registered Pension Schemes - Election to contract-out*

Use this form for all schemes which are not Industry-wide Money Purchase Stakeholder schemes to contract-out of the additional state pension commonly known as SERPS or State Second Pension.

or

APSS102 *Election for Industry-wide Money Purchase scheme*

This form needs to be completed on Industry-wide schemes to contract-out of SERPS or State Second Pension.

Forms you may need after the initial application

Notifying us of variations to the contracting-out certificate

When the contracting-out certificate has been issued, any variation must be notified on the following form.

APSS155 *Election to vary a contracting-out or appropriate scheme certificate*

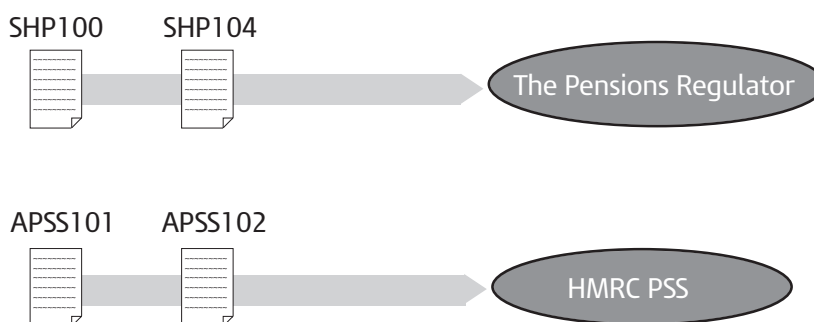
This form should be completed by any pension scheme wishing to vary an existing contracting-out certificate, for example, adding a subsidiary employer to a holding company or changing the categories of employments.

If you require copies of these forms you should go online at www.hmrc.gov.uk to print off copies.

How do I apply?

To apply to set up a Stakeholder Pension scheme	Register the pension scheme on line
as a scheme established under trust	SHP104 <i>Each individual trustee, and each director of a corporate trustee, must complete and submit a separate form SHP104</i>
<i>In addition all applicants must fill in one of the following forms:</i>	
To contract-out for all schemes which are not Industry-wide Money Purchase schemes, or	APSS101
as an Industry-wide Money Purchase Stakeholder Pension scheme	APSS102

Where should I send my forms?



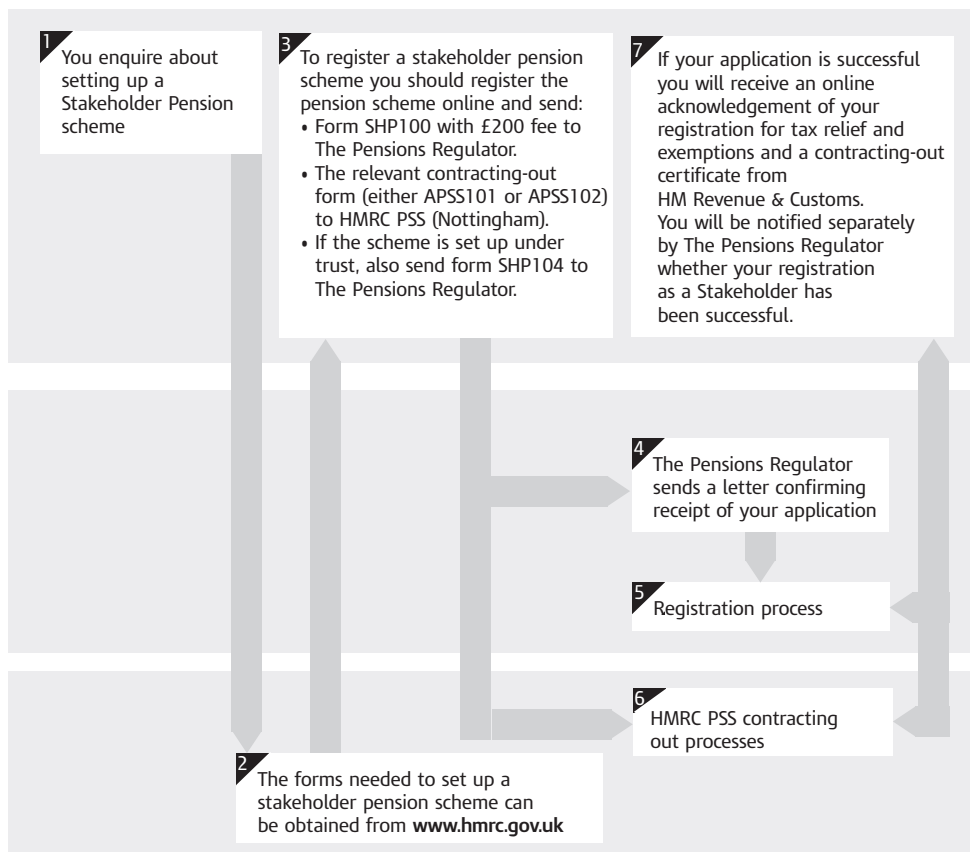
What happens next?

If your application is successful you will receive an acknowledgement of your registration for tax relief and exemptions and a contracting-out certificate from HM Revenue & Customs. You will be notified separately by The Pensions Regulator whether your registration as a stakeholder has been successful. This will allow you to start recruiting stakeholder pension scheme members.

By law, stakeholder pension schemes are required to pay a levy. The levy pays for The Pensions Regulator, as well as covering the costs of the Pensions Advisory Service and the Pensions Ombudsman. These organisations all work to protect the interests of pension scheme members. The Pensions Regulator will send you an invoice when the levy first becomes payable.

If your application is unsuccessful, you will be notified in writing, with an explanation of why your application has failed and how to reapply.

What do I need to do to set up a Stakeholder Pension scheme?



If you have a query about a decision on a contracting-out certificate

If you want to know more about the decision, or do not understand how it has been reached, please get in touch with HMRC PSS (Nottingham) as quickly as possible and ask for an explanation.

If you think the decision is wrong, you can either ask HMRC PSS (Nottingham) to look at the decision again or appeal against the decision. If you want to appeal against the decision, you must do so within one calendar month of the date on the letter of decision. Further information is given in the Registered Pension Schemes Manual (RPSM). This manual is available online, go to www.hmrc.gov.uk

What happens after the decision is looked at again?

If HMRC PSS (Nottingham) agree that the decision is wrong, they will send you a new decision. If they do not agree that the decision is wrong, they will tell you why. You will still have the right of appeal against the decision.

If you have a complaint

Leaflet *C/FS1 Complaints and putting things right*: gives details on how complaints are handled. This leaflet is available online, go to www.hmrc.gov.uk Alternatively, you can write to the Complaints Manager at Yorke House, Castle Meadow Road, Nottingham, NG2 1BG.

There is a section on the Pensions Regulator's website about handling complaints. This can be found at www.thepensionsregulator.gov.uk/aboutus/complaints

Privacy and Data Protection

How we use your information

HM Revenue & Customs is a Data Controller under the Data Protection Act 1998. We hold information for the purposes specified in our notification to the Information Commissioner, including the assessment and collection of tax and duties, the payment of benefits and the prevention and detection of crime, and may use this information for any of them.

We may get information about you from others, or we may give information to them. If we do, it will only be as the law permits to:

- check the accuracy of information
- prevent or detect crime
- protect public funds.

We may check information we receive about you with what is already in our records. This can include information provided by you, as well as by others, such as other government departments or agencies and overseas tax and customs authorities. We will not give information to anyone outside HM Revenue & Customs unless the law permits us to do so. For more information go to www.hmrc.gov.uk and look for *Data Protection Act* within the *Search* facility.

Fair Processing Notice

The Pensions Regulator handles personal information in compliance with the Data Protection Act 1998 (the Act). The Pensions Regulator is a 'data controller' under the Act. It holds information for the reasons which the Regulator provides to the Information Commissioner which can be found at www.ico.gov.uk. We recognise the importance of the correct and lawful processing of personal data in maintaining confidence in our operations. We fully endorse and adhere to the principles set out in the Act. A full notice of our processing is available on request or can be viewed on our website at www.thepensionsregulator.gov.uk

Points of contact

For more information about

Stakeholder pension scheme registration contact Customer Support at The Pensions Regulator on **0870 606 3636**

Tax registration or tax repayments contact us at HMRC PSS (Nottingham) on our Helpline on **0845 600 2622**

Stakeholder pension contracting-out scheme level contact us at HMRC PSS (Nottingham) on our Helpline on **0845 600 2622**

DWP statutory requirements contact the Scheme Provider's Helpline on **0845 9 150 150**

For a copy of the Registered Pension Schemes Manual (RPSM) go to www.hmrc.gov.uk

The bodies involved in Stakeholder Pension scheme applications

HM Revenue & Customs Pension Schemes Services (Nottingham) (HMRC PSS (Nottingham)) Helpline on 0845 600 2622

HM Revenue & Customs Pension Schemes Services (Nottingham) is the office responsible for registering schemes for tax relief and exemptions. A stakeholder pension scheme cannot be registered by The Pensions Regulator until tax registration has been given. Tax registration enables contributions to attract tax relief and certain investments within the fund to build up free of tax.

To be a stakeholder pension scheme the scheme must be contracted-out. HMRC PSS (Nottingham) is also responsible for issuing contracting-out certificates for stakeholder pension schemes. If you wish to vary a contracting-out certificate for a stakeholder pension scheme you should notify HMRC PSS of any changes.

Scheme administrators reclaim tax relief from HMRC PSS (Nottingham), usually on a monthly basis, only after HMRC PSS (Nottingham) have carried out stringent security checks on the claim details supplied by the scheme administrator. Repayments are made by HMRC PSS (Nottingham) using BACS (Bankers Automated Clearing System) directly into a nominated bank account of the Scheme Administrator.

The Pensions Regulator

The Pensions Regulator Customer support on 0870 606 3636

The Pensions Regulator is the UK regulator of work-based pension arrangements offered by employers.

The Pensions Regulator is responsible for the registration of stakeholder pension schemes. A scheme must be registered by The Pensions Regulator in order to be a stakeholder pension scheme.

Other bodies you may have contact with

National Insurance Contributions Office (NICO)

The National Insurance Contributions Office is an Executive Office of HM Revenue & Customs set up to maintain accurate National Insurance (NI) records, provide full and accurate NI related information to National Insurance Contributions Office (NICO) customers, protect the rights of contributors in Personal and Occupational Pension schemes and ensure compliance with NI related legislation.

Financial Services Authority (FSA)

0845 606 1234

The Financial Services Authority (FSA) is an independent non-governmental body, which has powers under the Financial Services and Markets Act 2000. Firms wishing to register a Stakeholder Pension scheme not established under trust must first become authorised by the FSA to act as a Stakeholder Pension scheme Manager.