



Role of scheme administrator (and practitioner)

This guide gives you an overview of the role of the scheme administrator (and practitioner) of a standalone Group Life scheme registered with HMRC.

Taxes and lifetime allowance charge

The scheme administrator is responsible for:

- All tax charges, interest and penalties for the registered scheme
- Registering a new scheme

The scheme administrator is **not** responsible for paying any lifetime allowance charge when a lump sum death benefit is paid following a member's death. This is the responsibility of the recipients of the lump sum payment(s). The member's personal representatives are responsible for finding out if a charge is payable.

Multiple scheme administrators

If more than one person is appointed scheme administrator, each is jointly and severally liable for any tax charges incurred.

Residence

The person(s) appointed as scheme administrator under the trust must live in:

- The UK
- Another EU member state, or
- Another state in the European Economic Area (EEA) Liechtenstein, Iceland or Norway

Registration of scheme

Registration of a Group Life scheme for tax purposes is done online and can only be carried out by the scheme administrator.

Practitioners

The scheme administrator can authorise HMRC to deal with another person on their behalf – an **authorised practitioner**.

An authorised practitioner can file event reports, pension scheme returns and tax accounting forms, but the scheme administrator must approve the content and authorise the submission of the return/report.

The scheme administrator can authorise HMRC to deal with different practitioners for different functions, such as tax returns or event reports.

The pension regulator

Group Life schemes are not required to register or report events to the pensions regulator.



Reporting responsibilities

The scheme administrator is responsible for:

- Filing or amending an event report
- Filing or amending a pension scheme return
- Filing or amending a tax return
- Amending scheme details
- Registering to operate tax relief at source and amending details – needed if self-employed/equity partners are members of the scheme
- Amending scheme administrator's details

Where a practitioner files, the scheme administrator must approve the content and authorise the submission of the return/report.

Event reports

The scheme administrator will need to provide HMRC with an event report following one of a number of reportable events.

HMRC list 24 reportable events in The Registered Pension Schemes (Provision of Information) Regulations 2006. The following events (which match HMRC's numbering) are those which could apply to a Group Life scheme:

1. Unauthorised payments

The scheme makes an unauthorised member payment or an unauthorised employer payment.

2. Lump sum death benefit payments exceeding 50% of standard lifetime allowance

The scheme makes a lump sum death benefit payment to a person in respect of the death of a member, and that payment, either alone, or when aggregated with other payments from that scheme, amounts to more than 50% of the standard lifetime allowance applicable at the time of the member's death.

6. Benefit crystallisation events and lifetime allowance protection

A benefit crystallisation event occurs in relation to a member in respect of the scheme and:

- a) the amount crystallised by the event
 - exceeds the standard lifetime allowance, or
 - together with amounts crystallised by other events in relation to that member, exceeds the standard lifetime allowance, for the year in which the event occurs; and
- b) the member relies on entitlement to a form of lifetime allowance protection in order to reduce or eliminate liability to the lifetime allowance charge

11. Changes in scheme rules

The scheme changes its rules to:

- a) entitle any person to require the making of unauthorised payments, or
- b) permit investment other than in insurance policies

14. Change in number of members

The number of scheme members falls in a different band at the end of a tax year from where it fell at the end of the previous tax year.

The bands are:

- (a) 0 members
- (b) 1 member
- (c) 2 to 11 members
- (d) 12 to 50 members
- (e) 51 to 10,000 members
- (f) more than 10,000 members

19. Country or territory of establishment

The scheme changes the country or territory in which it is established.

20. Occupational pension scheme

The scheme becomes, or stops being, an occupational pension scheme.

For a full list of events and definitions, visit:

[www.gov.uk/
hmrc-internal-manuals/
pensions-tax-manual/
ptm161300](http://www.gov.uk/hmrc-internal-manuals/pensions-tax-manual/ptm161300)



Providing other information

As well as event reports, other information about a Group Life scheme that must be reported includes:

Scheme winding up

The scheme administrator must notify HMRC's commissioners that the scheme has wound up and the effective date. This must be submitted within 3 months following completion of the winding up, including any event reports and any other required information (unless a shorter period is specifically required for an item).

Scheme administration

The scheme administrator must notify HMRC's commissioners when their appointment ends and the effective date. This must be submitted within 30 days of their appointment ending.

Information to personal representatives

The scheme administrator must tell the personal representatives of the dead member how much the lump sum is, when it was paid, and what percentage of the lifetime allowance that sum represents. This must be provided within 3 months following the payment of the lump sum.

Record keeping

Scheme administrators, trustees, administration services, participating employers (and their directors) must keep scheme documents for 6 years after the tax year they relate to. Scheme documents relate to monies received or owing, the assets, payments made and the administration of the scheme.

A person does not need to keep documents if they have all been transferred to their successor.

Please note that Unum does not act as a scheme administrator or a practitioner. This information is designed as a guide only. You should seek independent advice to ensure this guide meets your particular situation. Unum does not accept any responsibility for any loss which may arise if you rely on the information enclosed.



For more information, visit:

[www.gov.uk/topic/business-tax/
pension-scheme-administration](http://www.gov.uk/topic/business-tax/pension-scheme-administration)



and see The Pensions Tax Manual (PTM)

[www.gov.uk/hmrc-internal-manuals/
pensions-tax-manual](http://www.gov.uk/hmrc-internal-manuals/pensions-tax-manual)

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