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SO7

Abbreviations commonly used in 7 Days

Alert/News: Sackers Extra publications (available from the client area of our website or from your usual contact)

DB: Defined benefit

DC: Defined contribution

DWP: Department for Work and Pensions

EFRBS: Employer financed retirement benefit scheme

FAS: Financial Assistance Scheme

HMRC: HM Revenue & Customs

NEST: National Employment Savings Trust

PPF: Pension Protection Fund

TPR: The Pensions Regulator

HM REVENUE & CUSTOMS

Winding-up guidance

HMRC has today (22 August 2011) published new [guidance](#), in the form of a flowchart, for pension schemes which started winding-up before 6 April 2006.

Disguised remuneration: Draft guidance

On 18 August 2011, HMRC published [draft guidance](#) on the “disguised remuneration” legislation contained in the Finance Act 2011.

In particular, the draft guidance explains the tax legislation on employment income that is designed to tackle arrangements which:

- involve third parties (including trusts or other vehicles which are used to reward employees - which may include EFRBS); and
- seek to avoid or defer the payment of income tax.

The final guidance is due to be published in the autumn as part of HMRC's Employment Income Manual (EIM). HMRC notes that changes to the guidance, prior to formal publication in the EIM are “likely to be limited and directed primarily at including a few additional clarifications and examples”.

The draft guidance has not been published as part of a formal consultation process. Urgent comments may, however, be submitted to HMRC by 2 September 2011.

EUROPEAN INSURANCE AND OCCUPATIONAL PENSIONS AUTHORITY (EIOPA)

Pensions industry responses to consultation on the IORP Directive

As we reported in 7 Days on [11 July 2011](#), EIOPA has been [consulting](#) in connection with the review by the European Commission of the “IORP” or Pensions Directive¹.

The consultation relates to draft advice produced by EIOPA in response to the Commission's request for advice on the EU-wide legislative framework for pension schemes. This consultation focuses on: the scope of the Directive; the definition of “cross-border activity”; the scope of prudential regulation; and the governance of pension schemes.

¹ Directive 2003/41/EC on the activities and supervision of institutions for occupational retirement provision

Sackers were among those in the pensions industry who responded to the consultation (which closed on 15 August 2011). A number of responses have been made publicly available:

- [Sackers](#)
- [European Federation for Retirement Provision](#)
- [National Association of Pension Funds](#)
- [Financial Reporting Council](#)
- [CEA - European insurance and reinsurance federation](#)