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The following are published in this Supplement —

Falkland Islands Pensions Scheme (Amendment) Ordinance 2022 (No 19 of 2022);

Falkland Islands Pensions Scheme (General Provisions) (Amendment) Regulations 2022 (SR&O No 30 of 2022);

Falkland Islands Pensions Scheme (Expenses) Regulations 2022 (SR&O No 31 of 2022);
and

Taxes (Amendment) Ordinance 2022 (No 20 of 2022).

CHARLES III



FALKLAND ISLANDS

ALISON MARY BLAKE C.M.G.,
Governor.

Falkland Islands Pensions Scheme (Amendment) Ordinance 2022

(ORDINANCE No. 19 OF 2022)

ARRANGEMENT OF PROVISIONS

Section

PART 1 - INTRODUCTORY

1. Title
2. Commencement

PART 2 - AMENDMENT OF FALKLAND ISLANDS PENSIONS SCHEME ORDINANCE 1997

3. Amendment of Falkland Islands Pensions Scheme Ordinance 1997
4. Section 2 amended (interpretation)
5. Section 17 amended (membership of the Scheme)
6. Section 28 amended (benefits which must be provided under the Scheme)
7. New section 28A
8. Section 39 amended (information and records required for purposes of Ordinance)
9. Further amendments

PART 3 - AMENDMENT OF TAXES ORDINANCE 1997

10. Amendment of Taxes Ordinance 1997
11. Section 74 amended (commutation of pension)

PART 4 - TRANSITIONAL PROVISION

12. Transitional provision

Schedule - Further amendments

CHARLES III



FALKLAND ISLANDS

ALISON MARY BLAKE C.M.G.,
Governor.

Falkland Islands Pensions Scheme (Amendment) Ordinance 2022

(assented to: 20 December 2022)
(commencement: 1 January 2023)
(published: 23 December 2022)

AN ORDINANCE

To amend the Falkland Islands Pensions Scheme Ordinance 1997, to make consequential amendments to the Taxes Ordinance 1997 and to provide for connected matters.

ENACTED by the Legislature of the Falkland Islands —

PART 1 - INTRODUCTORY

1. Title

This Ordinance is the Falkland Islands Pensions Scheme (Amendment) Ordinance 2022.

2. Commencement

This Ordinance comes into force on 1 January 2023.

**PART 2 - AMENDMENT OF FALKLAND ISLANDS PENSIONS SCHEME
ORDINANCE 1997**

3. Amendment of Falkland Islands Pensions Scheme Ordinance 1997

This Part amends the Falkland Islands Pensions Scheme Ordinance 1997 (“**the Ordinance**”).

4. Section 2 amended – (interpretation)

In section 2, insert the following definitions in the correct alphabetical order —

“**drawdown**” has the meaning given in section 28(1)(c);

“**lump sum**” has the meaning given in section 28(1)(a);”.

5. Section 17 amended (membership of the Scheme)

In section 17(9)(b), after “rejoining” insert “provided in this Ordinance or”.

6. Section 28 amended (benefits which must be provided under the Scheme)

In section 28 —

(a) replace subsection (1) with —

“(1) When a member of the Scheme retires they are entitled to any of the following benefits if they so elect —

- (a) to receive a sum as may be specified in the election, which must not exceed one quarter of the accrued value of their individual account as at the date of retirement (“**a lump sum**”) and enter into a qualifying annuity contract with an approved pension provider with the balance of the account;
- (b) to enter into a qualifying annuity contract with an approved pension provider in consideration of the payment of a sum equal to the accrued value of their individual account as at the date of their retirement; or
- (c) to withdraw the accrued value of their individual account in accordance with section 28A (“**drawdown**”) either as a single payment or in such amounts as may be specified by the member, provided that the first payment is not less than one quarter of the accrued value of their individual account as at the date of retirement.

(b) omit subsection (3A);

(c) replace subsection (4) with —

“(4) A member may elect to defer the payment of the lump sum, the purchase of the annuity or drawdown, for such period as specified in the election, provided the election is made on or before the member’s 75th birthday.”;

(d) in subsection (4A), after “subsection (1)” omit “(a)”;

(e) after subsection (4A) insert —

“(4AA) If a member has not made an election by their 75th birthday to receive a benefit in accordance with subsection (1), the Board must disinvest the accrued value of the individual account of that member.

(4AAA) The Board must transfer the amount disinvested under subsection (4AA) out of the Scheme Fund to the Financial Secretary who must pay the amount into the Old Scheme Fund.”;

(f) in subsection (8) —

(i) replace the semi colon at the end of paragraph (b) with a full stop; and

(ii) omit from “and the member” to the end of that subsection;

(g) after subsection (8) insert —

“(8A) (1) Where a member elects under subsection (4) to defer drawdown the amount deferred is the accrued value of the member’s individual account as at the date of that member’s retirement, but —

(a) the member’s individual account continues until the deferral date;

(b) the amount available for drawdown on the deferral date is an amount equal to the accrued value of the member’s individual account at that date; and

(c) the member must withdraw the first amount for payment on the earliest date determined under section 28A(4) after the deferral date.

(2) The “**earliest date**” for purposes of subsection (1)(c) is the first date when drawdown is payable, taking into account the notice period that a member must give.”;

(h) omit subsection (9);

(i) in subsection (10), replace “subsection (3A), (8) or (9)” with “this section”; and

(j) in subsection (11), replace “subsections (6) to (9)” with “subsections (6) to (8A)”.

7. New section 28A

After section 28, insert —

“28A. Drawdown of pension funds

(1) This section applies where a member elects to drawdown.

(2) A member may withdraw a sum equal to the accrued value of their individual account or a sum of not less than £5,000, and after the first withdrawal, may elect not to make a withdrawal in any subsequent year.

(3) A member must withdraw the whole amount where the accrued value of their individual account amount is £5,000 or less.

(4) A member may withdraw a sum once a year on a date which the Board must determine.

(5) The Board must notify members of the date determined under subsection (4) at least 90 days before that date.

(6) A member must give notice to the Board of their intention to withdraw a sum and the amount they wish to withdraw at least 60 days before the date determined under subsection (4).

(7) A member may at any time elect to enter into an annuity contract with the balance in the accrued value of their individual account but once an annuity has been purchased, the member may not revert to the drawdown option.

(8) A person to whom this section applies may only rejoin the Scheme in January of the year subsequent to ceasing to be a member.”.

8. Section 39 amended (information and records required for purposes of Ordinance)

In subsection (1)(a) —

(a) in paragraph (i), replace “, and” with a semi-colon;

(b) after subparagraph (i) insert —

“(ia) employers whose past or current employees were or are members of the Scheme; and”.

9. Further amendments

The provisions of the Ordinance in the first column of the Schedule are amended to the extent set out in the second column.

PART 3 - AMENDMENT OF TAXES ORDINANCE 1997

10. Amendment of Taxes Ordinance 1997

This Part amends the Taxes Ordinance 1997.

11. Section 74 amended (commutation of pension)

In section 74 —

(a) replace subsection (1) with —

“(1) Where a retirement benefits scheme which is or has at any time been an approved scheme contains a rule allowing —

(a) a single payment in commutation of the whole or part of the accrued value of an employee’s pension, and any pension is commuted, under the rule, income tax is charged on the amount by which the sum receivable exceeds one quarter of the accrued value of the pension entitlement at the time the payment is made; or

(b) a payment in commutation of the whole or part of the accrued value of an employee’s pension by instalments, and any pension is commuted, under the rule, the first instalment up to a maximum of one quarter of the total accrued

value of the pension entitlement is not chargeable to income tax but to the extent that any amount withdrawn in the first or subsequent instalments exceeds in total one quarter of the accrued value of the pension entitlement, the payment is chargeable to income tax at the time the payment is made.

(1A) Sections 89 (payments on account of tax: application) and 90 (repayment of sums deducted) apply to any sums deducted in accordance with this section.”; and

(b) in subsection (2B) —

(i) omit “not”; and

(ii) replace “any other provision of this Ordinance” with “section 8(f)”.

PART 4 - TRANSITIONAL PROVISION

12. Transitional provision

(1) In this section —

“**Board**” means the Pensions Board constituted in accordance with section 5 of the Ordinance;

“**capitalised account value**” means the fund value of an individual who is in receipt of a benefit claimed under section 28(1)(b) of the Ordinance for converting a monthly pension to a lump sum;

“**Ordinance**” means the Falkland Islands Pensions Scheme Ordinance 1997.

(2) This section applies to an individual who is in receipt of a monthly pension, where the capitalised account value of the pension is £40,000 or less.

(3) On or before 1 August 2023 an individual may elect to withdraw a sum equal to the capitalised account value by giving notice to the Board.

(4) A claim under this section is available only once to individuals and the sum withdrawn is payable in September 2023.

SCHEDULE - Further amendments

(section 9)

Provision	Amendment
Section 3	<ol style="list-style-type: none"> 1. Replace “64 years” with “65 years”. 2. Omit the numbering (1).
Section 14	<p>In subsection (1) —</p> <ol style="list-style-type: none"> (a) replace the full stop at the end of paragraph (d) with “; or”; (b) insert the following after paragraph (d) — <p style="text-align: center;">“(e) a member of the Scheme.”</p>
Section 26	In subsections (1) and (2) replace “2 years” in each place it occurs with “4 years”.
Section 32	In subsection (1)(a) after “payable” insert “or is fully paid” and omit “and”.
Section 32A	<p>In subsection (3) —</p> <ol style="list-style-type: none"> (a) replace “this Part of the Ordinance shall apply” with “this Chapter applies”; and (b) in paragraph (a), replace “subsections (3), (4) to (9) and (11)” with “subsections (3), (4) to (8A) and (11)”.
Section 33	<p>In subsection (1) —</p> <ol style="list-style-type: none"> (a) after “17(2)(a)”, insert “or 17(2)(ba)”; (b) replace “64 years” with “75 years”.
Section 33A	<ol style="list-style-type: none"> 1. In subsection (1), after “17(2)(a)” insert “or 17(2)(ba)”. 2. In subsection (5)(a) replace “this Part” with “this Chapter”. 3. In subsection (8) — <ol style="list-style-type: none"> (a) in the introductory words, replace “this Part” with “this Chapter”; and

	(b) in paragraph (a), replace “subsections (3), (4) to (9) and (11)” with “subsections (3) to (8A) and (11)”.
Section 33B	In subsection (2) replace — (a) “apples” with “applies”; and (b) “this Part” with “this Chapter”.
Section 35	In subsection (3)(b)(ii) replace “m the aggregate” with “in aggregate”.
Part 4A	Replace the heading to “Part 4A” with “ Chapter IVA - Pension Sharing ”.
Schedule 1	In paragraph 7(1), replace “5(2)(d)” with “5(2)(a)”.
Schedule 2	After paragraph 1(1) insert — “(1A) The Board has the power to disinvest the accrued value of the individual account of a member under section 28(4AA).”.

Passed by the Legislature of the Falkland Islands on 15 December 2022.

CHERIE YVONNE CLIFFORD,
Clerk of the Legislative Assembly.

This printed impression has been carefully compared by me with the Bill which has passed the Legislative Assembly and is found by me to be a true and correctly printed copy of the said Bill.

CHERIE YVONNE CLIFFORD,
Clerk of the Legislative Assembly.

SUBSIDIARY LEGISLATION

Falkland Islands Pensions Scheme (General Provisions) (Amendment) Regulations 2022

(No. 30 OF 2022)

ARRANGEMENT OF PROVISIONS

Regulation

1. Title
2. Commencement
3. Amendment of Falkland Islands Pensions Scheme (General Provisions) Regulations 1999
4. Regulation 6 amended (particulars of benefits to be provided at time of entitlement)
5. Regulation 9 amended (particulars to be provided by employers)

SUBSIDIARY LEGISLATION

Falkland Islands Pensions Scheme (General Provisions) (Amendment) Regulations 2022

(made: 20 December 2022)

(commencement: 1 January 2023)

(published: 23 December 2022)

I make these Regulations under section 39 of the Falkland Islands Pensions Scheme Ordinance 1997 on the advice of Executive Council.

1. Title

These Regulations are the Falkland Islands Pensions Scheme (General Provisions) (Amendment) Regulations 2022.

2. Commencement

These Regulations come into force on 1 January 2023.

3. Amendment of Falkland Islands Pensions Scheme (General Provisions) Regulations 1999

These Regulations amend the Falkland Islands Pensions Scheme (General Provisions) Regulations 1999.

4. Regulation 6 amended (particulars of benefits to be provided at time of entitlement)

In regulation 6(1) replace “payment of an annuity and lump sum under section 28(4)” with “any benefit under section 28(4)”.

5. Regulation 9 amended (particulars to be provided by employers)

In regulation 9(1) —

- (a) replace the introductory words with —

“An employer must provide the Board with the following information in relation to any employee, or past employee who is or was a member —”

- (b) after paragraph (e) insert —

“(ea) in respect of past employees —

- (i) the employee’s final remuneration at the time they left employment; and
- (ii) the dates when the employee left employment or was re-employed if applicable;”.

Made 20 December 2022

A. M. BLAKE C.M.G.,
Governor.

EXPLANATORY NOTE
(not forming part of these Regulations)

These regulations amend the Falkland Islands Pension Scheme (General Provisions) Regulations 1999. Regulation 6(1) is amended to include drawdown which is an option available to members in respect of the accrued value of their individual fund. Regulation 6 provides for particulars of benefits to be provided to a member at the time of entitlement.

Regulation 9(1) is amended to require employers to provide information to the Board in respect of past or current employees who were or are members of the Scheme. The Board requires historic information relating to employees primarily for purposes of calculating benefits in the event of disablement, sickness, death or for employees who were in government service on 1 January 1997. The Board may request from an employer historic information about remuneration and dates of employment.

SUBSIDIARY LEGISLATION

Falkland Islands Pensions Scheme (Expenses) Regulations 2022

(No. 31 OF 2022)

ARRANGEMENT OF PROVISIONS

Regulation

1. Title
2. Commencement
3. Expenses for drawdown

SUBSIDIARY LEGISLATION

Falkland Islands Pensions Scheme (Expenses) Regulations 2022

(made: 20 December 2022)

(commencement: 1 January 2023)

(published: 23 December 2022)

I make these Regulations under section 14 of the Falkland Islands Pensions Scheme Ordinance 1997 on the advice of Executive Council.

1. Title

These Regulations are the Falkland Islands Pensions Scheme (Expenses) Regulations 2022.

2. Commencement

These Regulations come into force on 1 January 2023.

3. Expenses of drawdown

(1) The amount to be paid by a member in respect of expenses of the Scheme each time the member withdraws an amount from their individual account under section 28A of the Falkland Islands Pensions Scheme Ordinance 1997 is £150.

(2) The Board may deduct the fees from the amount payable to the member.

Made 20 December 2022

A. M. BLAKE C.M.G.,
Governor.

EXPLANATORY NOTE

(not forming part of these Regulations)

Section 14 of the Falkland Islands Pension Scheme Ordinance 1997 allows the Governor to make regulations providing for recovery of expenses and costs incurred by the Scheme. Regulation 3 provides that a member must pay £150 each time they withdraw a sum from their individual account when exercising the option to “drawdown” their pension under section 28A of the Ordinance.

CHARLES III



FALKLAND ISLANDS

ALISON MARY BLAKE C.M.G.,
Governor.

Taxes (Amendment) Ordinance 2022

(ORDINANCE No. 20 OF 2022)

ARRANGEMENT OF PROVISIONS

Section

1. Title
2. Commencement
3. Amendment of Taxes Ordinance 1997
4. Royalties arising between 1 January 2020 and 31 December 2022
5. Section 61 repealed
6. Consequential amendments

Schedule - Consequential Amendments

CHARLES III



FALKLAND ISLANDS

ALISON MARY BLAKE C.M.G.,
Governor.

Taxes (Amendment) Ordinance 2022

(assented to: 20 December 2022)
(commencement: in accordance with section 2)
(published: 23 December 2022)

AN ORDINANCE

To amend the Taxes Ordinance 1997.

ENACTED by the Legislature of the Falkland Islands —

1. Title

This Ordinance is the Taxes (Amendment) Ordinance 2022.

2. Commencement

- (1) Subject to subsection (2), this Ordinance comes into force on publication in the *Gazette*.
- (2) Sections 5 and 6 come into force on 1 January 2023.

3. Amendment of Taxes Ordinance 1997

This Ordinance amends the Taxes Ordinance 1997 (“**the Ordinance**”).

4. Royalties arising between 1 January 2020 and 31 December 2022

No tax is payable on royalties that would otherwise be subject to tax under section 61 of the Ordinance in the period starting on 1 January 2020 and ending on 31 December 2022.

5. Section 61 repealed

Section 61 of the Ordinance is repealed.

6. Consequential amendments

The sections of the Ordinance mentioned in the first column of the Schedule are amended to the extent specified in the second column.

SCHEDULE - CONSEQUENTIAL AMENDMENTS

(section 6)

Section	Amendment
163	In subsection (6) omit paragraph (b).
192A	<p>1. Replace subsection (1) with —</p> <p>“(1) Any person within the charge to tax must preserve all accounting records and documents that are necessary to explain —</p> <p style="padding-left: 40px;">(a) any accounts that must be delivered under sections 12 or 30, and</p> <p style="padding-left: 40px;">(b) the computation of taxable income stated in any return that must be furnished under sections 12 or 30,</p> <p>for at least 6 years after the end of the chargeable period to which the accounts or return relate.”.</p> <p>2. In subsection (5) —</p> <p style="padding-left: 40px;">(a) in the introductory words, after “or return for a chargeable period” omit “or to any deduction required to be made under section 61 in a chargeable period”; and</p> <p style="padding-left: 40px;">(b) in paragraph (a), after “for that period” omit “, or double the amount of the deduction”.</p>

Passed by the Legislature of the Falkland Islands on 15 December 2022.

CHERIE YVONNE CLIFFORD,
Clerk of the Legislative Assembly.

This printed impression has been carefully compared by me with the Bill which has passed the Legislative Assembly and is found by me to be a true and correctly printed copy of the said Bill.

CHERIE YVONNE CLIFFORD,
Clerk of the Legislative Assembly.

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