#### SCHEDULE

Regulation 5

## Schedule 1C to be inserted after Schedule 1B to the principal Regulations

"SCHEDULE 1C

Regulations 18(8)(c), (9)(b)(ii), (22) and (23) and 19(5)(c)

### PART I

# NON-CASH VOUCHERS TO BE DISREGARDED AS PAYMENTS UNDER REGULATION 19(1)(d)

- 1. A non-cash voucher which is not treated as an emolument from employment for the purposes of section 141(1)(1) of the Income and Corporation Taxes Act 1988 (non-cash vouchers) by virtue of subsections (6)(2) and (6C)(3) of that section.
- 2. A non-cash voucher which is not chargeable to income tax under Schedule E by virtue of section 197 of the Income and Corporation Taxes Act 1988 (leave travel facilities for the armed forces).
- 3. A non-cash voucher which is not chargeable to income tax under Schedule E by virtue of section 197G(4) of the Income and Corporation Taxes Act 1988 (sporting and recreational facilities).
- 4. A non-cash voucher by way of a testimonial to mark a period of service of not less than 20 years where—
  - (a) no similar award has been made to the recipient within the previous 10 years; and
  - (b) the chargeable expense does not exceed £20 per year of service.
- 5. A non-cash voucher in respect of one or more annual functions open to all employed earners where the chargeable expense in respect of such a function, or the total chargeable expense where 2 or more such functions are held annually, when divided by the number of people attending does not exceed £75 per person.
- 6. A non-cash voucher provided in connection with the provision of an alternative means of transport between an employed earner's home and place of employment where that employed earner is incapable of using public transport by reason of severe and permanent disability.
- 7. A non-cash voucher provided in connection with all or part of the costs and expenses of child care (but not school fees) incurred by an employed earner in respect of a child not exceeding the age of 16 for whom he has parental responsibility.
  - 8. A non-cash voucher exchangeable for a free or subsidised meal provided—
    - (a) on a reasonable scale by an employer; and
    - (b) on the employer's business premises or in any canteen where meals are provided for staff generally,

where the employer provides such a voucher to employed earners for whom free or subsidised meals on a reasonable scale on the employer's premises or elsewhere are not provided.

9. £0.15 per working day up to a maximum of £1.05 per week of the value of one or more non-cash vouchers which can only be exchanged for meals.

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<sup>(1)</sup> Subsection (1) was amended by section 89(2) of the Finance Act 1994 (c. 9)

<sup>(2)</sup> Subsection (6) was amended by section 46(1) of the Finance Act 1988 (c. 39)

<sup>(3)</sup> Subsection (6C) was inserted by section 93(1) of the Finance Act 1995 (c. 4)

<sup>(4)</sup> Section 197G was inserted by section 75(1) of the Finance Act 1993 (c. 34)

- 10. A non-cash voucher provided to or for the benefit of an employed earner by a person ("the donor") who is not the employer or a person connected with him which—
  - (a) is only capable of being used to obtain goods;
  - (b) is not made either in recognition of the performance of particular services in the course of the employed earner's employment or in anticipation of the performance of particular services;
  - (c) has not been directly or indirectly procured by the employer or a person connected with him; and
  - (d) does not exceed (together with any other non-cash vouchers provided by the donor to that employed earner) £150 per year.

### PART II

### INTERPRETATION OF PART I OF THIS SCHEDULE

- 11. Part I of this Schedule applies to non-cash vouchers provided by an employer or any other person on his behalf.
- 12. For the purposes of paragraph 1 of this Schedule, section 141(6) of the Income and Corporation Taxes Act 1988 shall be read as if it were limited to earnings up to £8,500 per year paid to or for the benefit of an earner in respect of employed earner's employment.
- 13. For the purposes of paragraph 4 of this Schedule, "the chargeable expense" means the chargeable expense calculated in accordance with regulation 18(22) of these Regulations.
  - 14. For the purposes of paragraph 5 of this Schedule—
    - (a) "annual function" means a Christmas party or other annual function of a similar nature;
    - (b) "the chargeable expense" means the chargeable expense calculated in accordance with regulation 18(22) of these Regulations.
  - 15. For the purposes of paragraph 7 of this Schedule, "child care" includes—
    - (a) care provided in accordance with the provisions of Part XI of the Children (Northern Ireland) Order 1995(5) (child minding and day care for young children);
    - (b) in the case of a child aged 12 or over, care provided by a child minder;
    - (c) in the case of a child under the age of 12, care provided by a child minder where that care does not exceed, in total, 2 hours in any day;
    - (d) care provided by a relative or nanny;
    - (e) care provided during out-of-school hours and during school holidays;
    - (f) full-time and part-time care,

and "relative" and "nanny" have the meanings assigned to them in Articles 2(2) and 119(6) respectively of that Order.

16. For the purposes of paragraph 8 of this Schedule, "premises" or "canteen" do not include a restaurant or dining room in a hotel, catering or similar business at a time when meals are being served to the public unless part thereof is designated as being for the use of staff only.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

17. For the purposes of paragraph 10 of this Schedule, whether or not a person is "connected" to the employer shall be determined in accordance with the provisions of section 839(6) of the Income and Corporation Taxes Act 1988 (connected persons)."

 $<sup>\</sup>textbf{(6)} \quad \text{Section 839 was amended by paragraph 20 of Schedule 17 to the Finance Act 1995 and S.I.\ 1997/1154}$