

*These notes refer to the Income Tax (Earnings and Pensions)  
Act 2003 (c.1) which received Royal Assent on 6th March 2003*

# **INCOME TAX (EARNINGS AND PENSIONS) ACT 2003**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### *Omitted material*

#### *Schedule 6: Consequential Amendments*

#### **General**

#### **Part 1: Income and Corporation Taxes Act 1988**

#### *Paragraph 5*

3582. This paragraph amends section 18 of ICTA so as to re-establish the boundary between income charged under this Act and income charged under ICTA.
3583. In section 18(1)(b) of ICTA the reference to Schedule E is replaced by a reference to the three types of income charged under this Act. This will include some pension and social security income that is charged under Schedule D by ICTA. The amendment ensures that the income is charged only under this Act. A similar amendment is made to the definition of Case VI.
3584. In the definition of Case V the phrase “income consisting of emoluments of any office or employment” is replaced by a general reference to “employment income”. Although the latter term covers both the charge on emoluments taxed by paragraph 1 of section 19(1) of ICTA and the free-standing Schedule E charges taxed by paragraph 5 of section 19(1), the amendment respects the principle that Schedule D is the residual Schedule. Despite using the broader term, Schedule D Case V still covers all of a person’s income from abroad except income that is specifically chargeable under other provisions.