

*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

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Example 3

£150(Pe) – £50(E) = £100

Part 4: Employment income: exemptions

Chapter 8: Exemptions: Special kinds of employees

Section 290: Accommodation benefits of ministers of religion

1190. This section provides that there is no liability to tax in respect of benefits arising in connection with accommodation provided for a full-time minister (defined at subsection (5)) in premises owned by a charity or ecclesiastical corporation.
1191. It derives from section 332 of ICTA.
1192. *Subsection (1)* provides that no liability to tax arises in respect of the payment or reimbursement of a statutory amount or statutory deduction. Both these terms are defined at subsection (5).
1193. *Subsection (2)* provides that no liability to tax arises in respect of expenses paid or reimbursed in connection with the provision of the accommodation where the minister is in “excluded employment”. “Excluded employment” is defined in section 239(9).
1194. *Subsection (3)* excludes from the exemptions any parts of the property for which the minister is in receipt of rent.
1195. *Subsection (4)* defines the premises in respect of which benefits qualify for the exemption.
1196. *Subsection (5)* provides definitions for terms used in the section, including a definition of “charity” drawn from section 506(1) of ICTA. See *Note 34* in Annex 2.