

INCOME TAX (EARNINGS AND PENSIONS) ACT 2003

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Example 3

Ne = £5,000; Da = 183; De = 183; Smg = 0

Part 5: Employment income: deductions allowed from earnings

Overview

Chapter 2: Deductions for employee's expenses

Overview

Section 338: Travel for necessary attendance

1456. This section allows a deduction from earnings for travel expenses if the expenses are attributable to the employee's necessary attendance at any place in the performance of the duties of the employment. However, the deduction allowed by this section is not available for the expenses of "ordinary commuting" or "private travel".
1457. The section is the second of two dealing with the proposition that a deduction is allowed for qualifying travelling expenses. This section deals with the part of that definition in section 198(1A)(b) of ICTA. That provision mentions "ordinary commuting" and "private travel" in section 198(1A)(b)(ii) but those expressions are only defined in paragraph 2 of Schedule 12A to that Act. Paragraph 3 of that Schedule contains a gloss on paragraph 2 and this section also deals with that gloss.
1458. This section derives from section 198(1)(a) and (1A)(b) of ICTA and from paragraphs 2 and 3 of Schedule 12A to that Act. The statutory material has been reorganised so that the definitions of "ordinary commuting" and "private travel" are placed near the propositions to which they apply; and the gloss upon the definitions has been incorporated in the subsections setting out the effect of "ordinary commuting" and "private travel".
1459. *Subsection (6)* provides that this section needs to be read with section 359, which prohibits a deduction if a mileage allowance is paid or if mileage allowance relief is available.