

SCHEDULES

SCHEDULE 7

TRANSITIONALS AND SAVINGS

PART 3

EMPLOYMENT INCOME: EARNINGS AND BENEFITS ETC. TREATED AS EARNING

Taxable benefits: dispensations relating to benefits within provisions not applicable to lower-paid employments

- 16 (1) This paragraph applies if—
- (a) mileage allowance payments are made to an employee in respect of the use of a vehicle that is not a company vehicle, or
 - (b) mileage allowance relief is available in respect of the use by an employee of a vehicle.
- (2) Any notification under section 166(1) of ICTA (notice of nil liability in respect of payments, benefits or facilities) which—
- (a) was in force immediately before 6th April 2002, and
 - (b) has effect as a dispensation under section 65 (dispensations relating to benefits within provisions not applicable to lower-paid employment),
- does not apply in relation to payments made, or benefits or facilities provided, in respect of expenses incurred in connection with the use of the vehicle by the employee for business travel.
- (3) In this paragraph “business travel”, “company vehicle” and “mileage allowance payment” have the same meanings as in Chapter 2 of Part 4.