



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 3

EMPLOYMENT INCOME: EARNINGS AND BENEFITS ETC. TREATED AS EARNINGS

CHAPTER 10

TAXABLE BENEFITS: RESIDUAL LIABILITY TO CHARGE

Special rules for scholarships

212 Scholarships provided under arrangements entered into by employer or connected person

- (1) A scholarship which is provided for a member of an employee's family or household is to be regarded for the purposes of this Chapter as provided by reason of the employment if it is provided under arrangements entered into by—
 - (a) the employer, or
 - (b) a person connected with the employer.
- (2) Subsection (1) applies whether or not the arrangements require the employer or the connected person to contribute directly or indirectly to the cost of providing the scholarship.
- (3) A scholarship is not to be regarded as provided by reason of an employment by virtue of subsection (1) if—
 - (a) the employer is an individual, and
 - (b) the arrangements are made in the normal course of the employer's domestic, family or personal relationships.

Status: *This is the original version (as it was originally enacted).*

(4) This section is without prejudice to section 201(3).