



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 3

EMPLOYMENT INCOME: EARNINGS AND BENEFITS ETC. TREATED AS EARNINGS

CHAPTER 12

PAYMENTS TREATED AS EARNINGS

226 Valuable consideration given for restrictive undertakings

- (1) In a case where—
- (a) an individual gives a restrictive undertaking in connection with the individual's current, future or past employment, and
 - (b) valuable consideration that is not in the form of money is provided in respect of—
 - (i) the giving of the undertaking, or
 - (ii) the total or partial fulfilment of the undertaking,section 225 applies as it would if a payment of an amount equal to the value of the consideration had been made instead.
- (2) For this purpose—
- (a) merely assuming an obligation to make over or provide valuable property, rights or advantages is not valuable consideration, but
 - (b) wholly or partially discharging such an obligation is.