



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 4

EMPLOYMENT INCOME: EXEMPTIONS

CHAPTER 5

EXEMPTIONS: RECREATIONAL BENEFITS

Entertainment

265 Third party entertainment

- (1) No liability to income tax arises in respect of the provision of entertainment for an employee or a member of the employee's family or household if conditions A to C are met.
- (2) Condition A is that the person providing the entertainment is not the employer or a person connected with the employer.
- (3) Condition B is that neither the employer nor a person connected with the employer has directly or indirectly procured its provision.
- (4) Condition C is that it is not provided—
 - (a) in recognition of particular services performed by the employee in the course of the employment, or
 - (b) in anticipation of particular services to be so performed.
- (5) In this section "entertainment" includes hospitality of any kind.