



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 4

EMPLOYMENT INCOME: EXEMPTIONS

CHAPTER 8

EXEMPTIONS: SPECIAL KINDS OF EMPLOYEES

[^{F1}Voluntary office-holders

[^{F1}299A Voluntary office-holders: compensation for lost employment income

- (1) No liability to income tax arises in respect of a payment made by a relevant authority to a person if—
 - (a) the person holds a voluntary office with the authority,
 - (b) the person carries out duties of the office in a period in which he or she is also employed, and
 - (c) the payment is made solely to compensate the person for lost employment income for the period (and accordingly does not exceed the amount of that income).
- (2) For the purposes of subsection (1) a person holds a voluntary office if, at the time the payment referred to in that subsection is made, the person—
 - (a) is not entitled to any payment or benefit in connection with carrying out the duties of the office,
 - (b) has not received any such payment or benefit, and
 - (c) does not expect to receive any such payment or benefit.
- (3) For the purposes of subsection (2)(a), (b) and (c) disregard—

Changes to legislation: *There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Section 299A. (See end of Document for details)*

- (a) a payment [^{F2}(whether an advance payment or a reimbursement)] in respect of reasonable expenses incurred in carrying out the duties of the office, and
 - (b) a payment to which subsection (1) or section 16A of ITTOIA 2005 applies.
- (4) In subsection (1)(c) “lost employment income” means the difference between—
- (a) the amount of employment income, after deduction of tax and national insurance contributions, that the person would have received from the employment for the period if he or she had not carried out the duties of the office, and
 - (b) the amount of employment income, after deduction of tax and national insurance contributions, that the person did receive from the employment for the period.
- (5) In subsection (1) “relevant authority” means any of the following—]

Textual Amendments

- F1** S. 299A and cross-heading inserted (6.4.2018) by [The Enactment of Extra-Statutory Concessions Order 2018 \(S.I. 2018/282\)](#), arts. 1, **2(2)**
- F2** Words in s. 299A(3)(a) inserted (6.4.2020 with effect in relation to the tax year 2020-21 and subsequent tax years) by [Finance Act 2020 \(c. 14\)](#), s. **14(2)(3)**

Changes to legislation:

There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Section 299A.