



# Income Tax (Earnings and Pensions) Act 2003

## 2003 CHAPTER 1

### PART 5

#### EMPLOYMENT INCOME: DEDUCTIONS ALLOWED FROM EARNINGS

### CHAPTER 5

#### DEDUCTIONS FOR EARNINGS REPRESENTING BENEFITS OR REIMBURSED EXPENSES

##### *Personal security assets and services*

#### **377 Costs and expenses in respect of personal security assets and services**

- (1) This section applies if—
- (a) there is a special threat to an employee's personal physical security which arises wholly or mainly because of the employee's employment,
  - (b) an asset or service which improves personal security is provided for or used by the employee to meet the threat,
  - (c) the employee's earnings include an amount in respect of—
    - (i) the provision or use, or
    - (ii) expenses connected with it,because the whole or part of the cost of the provision or use is borne, or the expenses are reimbursed to the employee, by or on behalf of another person ("the provider"), and
  - (d) the provider's sole object in bearing the whole or part of the cost or reimbursing the expenses is meeting the threat.

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*Status: This is the original version (as it was originally enacted).*

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- (2) In the case of such an asset, if the provider intends it to be used solely for the purpose of improving personal physical security, a deduction equal to the included amount is allowed.
- (3) If the provider intends the asset to be used solely to improve personal physical security, any use of the asset incidental to that purpose is ignored.
- (4) If the provider intends the asset to be used only partly to improve personal physical security, a deduction equal to the proportion of the included amount attributable to the intended use for that purpose is allowed.
- (5) In determining whether or not this section applies in relation to an asset, it does not matter if—
  - (a) the asset becomes fixed to land (even a dwelling or grounds), or
  - (b) the employee is or becomes entitled—
    - (i) to the property in the asset, or
    - (ii) if the asset is a fixture, to any estate or interest in the land concerned.
- (6) In the case of a service within subsection (1), if the benefit resulting to the employee consists wholly or mainly of an improvement of the employee's personal physical security, a deduction equal to the included amount is allowed.
- (7) The fact that an asset or a service improves the personal physical security of a member of the employee's family or household, as well as that of the employee, does not prevent a deduction being allowed.
- (8) In this section—
  - “asset” includes equipment or a structure (such as a wall), but not a car, ship or aircraft or a dwelling or grounds appurtenant to a dwelling, and
  - “service” does not include a dwelling or grounds appurtenant to a dwelling.