



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 2

EMPLOYMENT INCOME: CHARGE TO TAX

CHAPTER 5

[^{F1}TAXABLE EARNINGS: REMITTANCE BASIS RULES AND RULES FOR NON-UK RESIDENT EMPLOYEES]

Place of performance of duties of employment

40 Duties on board vessel or aircraft

- (1) Duties which a person performs on a vessel engaged on a voyage not extending to a port outside the United Kingdom are to be treated for the purposes of this Chapter as performed in the United Kingdom.
- (2) Duties which a person resident in the United Kingdom performs on a vessel or aircraft engaged—
 - (a) on a voyage or journey beginning or ending in the United Kingdom, or
 - (b) on a part beginning or ending in the United Kingdom of any other voyage or journey,are to be treated as performed in the United Kingdom for the purposes of this Chapter.
- (3) Subsection (2) does not, however, apply for the purposes of section 24(1)(b) (limit on chargeable overseas earnings under section 23 where duties of associated employment performed in UK) in relation to any duties of a person's employment if—
 - (a) the employment is as a seafarer, and
 - (b) the duties are performed on a ship.

Changes to legislation: There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Section 40. (See end of Document for details)

- (4) Instead, any duties of the employment which are performed on a ship engaged—
- (a) on a voyage beginning or ending outside the United Kingdom (but excluding any part of it beginning and ending there), or
 - (b) on a part beginning or ending outside the United Kingdom of any other voyage,
- are to be treated as performed outside the United Kingdom for the purposes of section 24(1)(b).
- (5) For the purposes of subsections (3) and (4)—
- (a) employment “as a seafarer” means an employment consisting of the performance of duties on a ship or of such duties and others incidental to them;
 - [^{F1}(b) “ship” does not include an offshore installation;]
 - (c) the areas designated under section 1(7) of the Continental Shelf Act 1964 (c. 29) are treated as part of the United Kingdom.

Textual Amendments

- F1** S. 40(5)(b) substituted (with effect in accordance with Sch. 27 para. 16 of the amending Act) by Finance Act 2004 (c. 12), **Sch. 27 para. 12**

Changes to legislation:

There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Section 40.