



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 11

PAY AS YOU EARN

CHAPTER 3

PAYE: SPECIAL TYPES OF PAYER OR PAYEE

692 Organised arrangements for sharing tips

- (1) PAYE regulations may make provision with respect to organised arrangements for tips to be shared among employees by a person (“P”) who is not the principal employer.
- (2) PAYE regulations may include provisions which, for the purposes of PAYE regulations—
 - (a) treat every payment made by P to an employee by way of the employee’s share of any tips (including the retention by P of P’s own share if P is an employee) as a payment of PAYE income by P, and
 - (b) treat P as the employer in relation to every such payment.
- (3) PAYE regulations may also include provisions which—
 - (a) apply if P has failed to comply with any of the requirements of PAYE regulations, and
 - (b) treat the principal employer, for the purposes of PAYE regulations, as making payments to the employees of any tips paid over to P by the principal employer.
- (4) In this section—

“the principal employer” means the person under whose general control and management the employees work;

Status: This is the original version (as it was originally enacted).

“tips” means gratuities and service charges.