



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 3

EMPLOYMENT INCOME: EARNINGS AND BENEFITS ETC. TREATED AS EARNINGS

CHAPTER 4

TAXABLE BENEFITS: VOUCHERS AND CREDIT-TOKENS

Benefit of credit-token treated as earnings

94 Benefit of credit-token treated as earnings

- (1) On each occasion on which a credit-token to which this Chapter applies is used by the employee in a tax year to obtain money, goods or services, the cash equivalent of the benefit of the token is to be treated as earnings from the employment for that year.
- (2) The cash equivalent is the difference between—
 - (a) the cost of provision, and
 - (b) any part of that cost made good by the employee to the person incurring it.
- (3) In this section the “cost of provision” means the expense incurred—
 - (a) in or in connection with the provision of the money, goods or services obtained on the occasion in question, and
 - (b) by the person at whose cost they are provided.
- (4) If a person incurs expense in or in connection with the provision of credit-tokens for two or more employees as members of a group or class, the expense incurred in respect of one of them is to be such part of that expense as is just and reasonable.