

SCHEDULES

SCHEDULE 39

REPEAL OF MISCELLANEOUS RELIEFS ETC

PART 4

LIFE ASSURANCE

Abolition of income tax relief relating to certain payments made for benefit of family members etc

- 32 (1) In Chapter 6 of Part 8 of ITA 2007 omit section 459 (which provides income tax relief in relation to certain payments made by individuals for the benefit of family members).
- (2) In ITA 2007—
- (a) in sections 26(1)(a) and 27(5) omit “section 459 of this Act or section 273 of ICTA (payments for benefit of family members),”,
 - (b) in section 423(5)—
 - (i) after paragraph (b) insert “and”, and
 - (ii) omit paragraph (d) (and the “and” before it),
 - (c) in section 460—
 - (i) omit subsection (1)(b) (and the “or” before it), and
 - (ii) in subsection (4) for “, 458 or 459” substitute “or 458”,
 - (d) in section 809G(2)(c) for “, 458 or 459” substitute “or 458”, and
 - (e) omit section 811(6)(d) (but not the “and” after it).
- (3) Section 609 of ITEPA 2003 (annuities for the benefit of dependants) is amended as follows.
- (4) In subsection (1), for the words from the second “which” to the end substitute “—
- (a) which, in the tax year 2012-13 or an earlier tax year, satisfied the conditions for relief under section 273 of ICTA or section 459 of ITA 2007 (obligatory contributions to secure an annuity for the benefit of dependants), or
 - (b) which fall within subsection (3)”.
- (5) After subsection (2) insert—
- “(3) A sum falls within this subsection if—
- (a) in the tax year 2013-14 or a later tax year, the sum is paid by an individual, or is deducted from an individual’s earnings, under an Act or the individual’s terms and conditions of employment,
 - (b) the sum is for the purpose of—

Status: This is the original version (as it was originally enacted).

- (i) securing a deferred annuity after the individual's death for the individual's surviving spouse or civil partner, or
 - (ii) making provision after the individual's death for the individual's children, and
- (c) the individual—
 - (i) is UK resident for the tax year in which the sum is paid or deducted, or
 - (ii) at any time in that tax year, falls within any of paragraphs (a) to (f) of section 460(3) of ITA 2007 (matters relating to residence).
- (4) Subsection (3)(a) does not cover contributions paid by a person under—
 - (a) Part 1 of the Social Security Contributions and Benefits Act 1992, or
 - (b) Part 1 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992.
- (5) In subsection (3)(a) “earnings” has the meaning given by section 62.”
- (6) The amendments made by this paragraph have effect for the tax year 2013-14 and subsequent tax years.