



Finance (No. 2) Act 2017

2017 CHAPTER 32

PART 1

DIRECT TAXES

Income tax: employment and pensions

1 Taxable benefits: time limit for making good

- (1) Part 3 of ITEPA 2003 (employment income: earnings and benefits etc treated as earnings) is amended as follows.
- (2) In section 87 (cash equivalent of benefit of non-cash voucher)—
 - (a) in subsection (2)(b), for “to the person incurring it” substitute “, to the person incurring it, on or before 6 July following the relevant tax year”, and
 - (b) after subsection (2) insert—
 - “(2A) If the voucher is a non-cash voucher other than a cheque voucher, the relevant tax year is—
 - (a) the tax year in which the cost of provision is incurred, or
 - (b) if later, the tax year in which the employee receives the voucher.
 - (2B) If the voucher is a cheque voucher, the relevant tax year is the tax year in which the voucher is handed over in exchange for money, goods or services.”
- (3) In section 88(3) (time at which cheque voucher treated as handed over), at the beginning insert “For the purposes of subsection (2) and sections 87(2B) and 87A(6),”.
- (4) In section 94(2) (cash equivalent of benefit of credit-token), in paragraph (b), for the words from “employee” to the end substitute “employee—
 - (i) to the person incurring it, and

Status: This is the original version (as it was originally enacted).

- (ii) on or before 6 July following the tax year which contains the occasion in question.”
- (5) In section 105(2) (cash equivalent of benefit of living accommodation costing £75,000 or less), in paragraph (b), after “made good” insert “, on or before 6 July following the tax year which contains the taxable period,”.
- (6) In section 106(3) (cash equivalent of benefit of living accommodation costing over £75,000), in paragraph (a), for the words from “paid” to “exceeds” substitute “paid—
- (i) by the employee,
 - (ii) in respect of the accommodation,
 - (iii) to the person providing it, and
 - (iv) on or before 6 July following the tax year which contains the taxable period,
- exceeds”.
- (7) In section 144 (deduction for payments for private use of car)—
- (a) in subsection (1)(b), for “in” substitute “on or before 6 July following”,
 - (b) in subsection (2), after “paid” insert “as mentioned in subsection (1)(b)”, and
 - (c) in subsection (3), after “paid” insert “as mentioned in subsection (1)(b)”.
- (8) In section 151(2) (when cash equivalent of benefit of car fuel is nil)—
- (a) in the words before paragraph (a) omit “in the tax year in question”,
 - (b) in paragraph (a), at the beginning insert “in the tax year in question,”, and
 - (c) in paragraph (b), at the end insert “on or before 6 July following that tax year”.
- (9) In section 152(2) (car fuel: proportionate reduction of cash equivalent)—
- (a) in the words before paragraph (a) omit “for any part of the tax year in question”,
 - (b) in paragraph (a), at the beginning insert “for any part of the tax year in question,”,
 - (c) in paragraph (b), at the beginning insert “for any part of the tax year in question,”, and
 - (d) in paragraph (c)—
 - (i) after “employee”, in the first place it occurs, insert “—
 - (i) for any part of the tax year in question,”, and
 - (ii) for “and the employee does make good that expense” substitute “, and
 - (ii) the employee does make good that expense on or before 6 July following that tax year”.
- (10) In section 158 (reduction for payments for private use of van)—
- (a) in subsection (1)(b), for “in” substitute “on or before 6 July following”,
 - (b) in subsection (2), after “paid” insert “as mentioned in subsection (1)(b)”, and
 - (c) in subsection (3), after “paid” insert “as mentioned in subsection (1)(b)”.
- (11) In section 162(2) (when cash equivalent of benefit of van fuel is nil)—
- (a) in the words before paragraph (a) omit “in the tax year in question”,
 - (b) in paragraph (a), at the beginning insert “in the tax year in question,”, and
 - (c) in paragraph (b), at the end insert “on or before 6 July following that tax year”.

- (12) In section 163(3) (van fuel: proportionate reduction of cash equivalent)—
- (a) in the words before paragraph (a) omit “for any part of the tax year in question”,
 - (b) in paragraph (a), at the beginning insert “for any part of the tax year in question,”,
 - (c) in paragraph (b), at the beginning insert “for any part of the tax year in question,” and
 - (d) in paragraph (c)—
 - (i) after “employee”, in the first place it occurs, insert “—
 - (i) for any part of the tax year in question,”, and
 - (ii) for “and the employee does make good that expense” substitute “, and
 - (ii) the employee does make good that expense on or before 6 July following that tax year”.
- (13) In section 203(2) (cash equivalent of benefit treated as earnings), for “to the persons providing the benefit” substitute “, to the persons providing the benefit, on or before 6 July following the tax year in which it is provided”.
- (14) The amendments made by this section have effect for the purpose of calculating income tax charged for the tax year 2017-18 or any subsequent tax year.