Finance Act 2018

2018 CHAPTER 3

PART 1

DIRECT TAXES

Employment

8 Exemption for armed forces' accommodation allowances

(1) In Chapter 8 of Part 4 of ITEPA 2003 (exemptions: special kinds of employees), after section 297C insert—

"**297D Armed forces: accommodation allowances**

(1) No liability to income tax arises in respect of payments of accommodation allowances to, or in respect of, a member of the armed forces of the Crown.

(2) An "accommodation allowance" is an allowance—
   (a) payable out of the public revenue,
   (b) for, or towards, costs of accommodation, and
   (c) in respect of which any conditions specified in regulations made by the Treasury are met.

(3) The provision that may be made by regulations under subsection (2)(c) includes provision framed by reference to a scheme (by whatever name called), or document, as it has effect from time to time.

(4) Regulations under this section may make—
   (a) different provision for different cases, and
   (b) different provision for different areas.

(5) Regulations under this section that do not increase any person's liability to income tax may have effect in relation to times before they are made."

(2) The amendment made by subsection (1) has effect in relation to payments on or after such date as may be specified in regulations made by the Treasury.