



Finance Act 1948

1948 CHAPTER 49

PART IV

INCOME TAX (EXPENSES ALLOWANCES, ETC.).

38 Expenses allowances, etc.

- (1) Subject to the provisions of this Part of this Act, any sum paid in respect of expenses by a body corporate to any of its directors or to any person employed by it in an employment to which this Part of this Act applies shall, if not otherwise chargeable to income tax as income of that director or employee, be treated for the purposes of Rule I of the Rules applicable to Schedule E as a perquisite of the office or employment of that director or employee and included in the emoluments thereof assessable to income tax accordingly :

Provided that nothing in this subsection shall prevent a claim for a deduction being made under Rule 9 of the said Rules in respect of any money expended wholly, exclusively and necessarily in performing the duties of the office or employment.

- (2) In this section, and, in relation to any director or person employed in an employment to which this Part of this Act applies, in section nineteen of the Finance Act, 1939 (which requires employers in certain cases to give particulars of payments to directors and employed persons in respect of expenses), any reference to a sum paid in respect of expenses includes a reference to any sum put by a body corporate at the disposal of a director or employee and paid away by him.