
STATUTORY INSTRUMENTS

2004 No. 3087

INCOME TAX

The Income Tax (Exemption of Minor Benefits) (Amendment) Regulations 2004

Made - - - - 23rd November 2004
Laid before the House of Commons - - - - 23rd November 2004
Coming into force - - 14th December 2004

The Treasury, in exercise of the powers conferred upon them by section 210 and 263 of the Income Tax (Earnings and Pensions) Act 2003(1), make the following Regulations:

Citation, commencement, interpretation and effect

1.—(1) These Regulations may be cited as the Income Tax (Exemption of Minor Benefits) (Amendment) Regulations 2004, shall come into force on 14th December 2004 and shall have effect for the year 2005-06 and subsequent tax years of assessment.

(2) In these Regulations “the principal Regulations” means the Income Tax (Exemption of Minor Benefits) Regulations 2002(2).

Amendment of the principal Regulations

2. At the end of the principal Regulations add—

“Exemption in respect of the provision of pensions advice

5.—(1) There is no charge to tax under Chapter 10 of Part 3 of ITEPA in respect of the provision to an employee, on behalf of an employer, of pension information and advice.

(2) The exemption conferred by paragraph (1) applies only if the cash equivalent of the benefit of provision of pension information and advice to an employee does not exceed £150 in total in a year of assessment.

(1) 2003 c. 1.
(2) S.I. 2002/205: amended by S.I. 2003/1434.

Exemption in respect of the provision of recreational facilities and subsidised meals to third parties

6.—(1) Where there is no charge to tax under—

- (a) section 261 of ITEPA (exemption of recreational benefits), or
- (b) section 317 of ITEPA (subsidised meals)

in respect of the provision of recreational facilities or subsidised meals to employees, paragraph (2) applies.

(2) If this paragraph applies, the provision of the facilities or meals referred to in paragraph (1) to other persons who work on the premises of the employer in question shall be exempt notwithstanding that the conditions set out in section 261 or section 317 respectively of ITEPA may not be satisfied in respect of those persons.”.

23rd November 2004

Joan Ryan
John Heppell
Two of the Lords Commissioners of Her
Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Income Tax (Exemption of Minor Benefits) Regulations 2002 (S.I.2002/205: “the principal Regulations”).

Regulation 1 provides for the citation, commencement, interpretation and effect of these Regulations.

Regulation 2 adds to the principal Regulations new regulations 5 and 6.

The new regulation 5 provides an exemption from the charge to tax under Chapter 10 of Part 3 of the Income Tax (Earnings and Pensions) Act 2003 (c. 1: “ITEPA”) in respect of the provision to an employee by a person on behalf of an employer of information or advice which the employer may provide. The exemption applies only to extent that the cost of providing the information or advice does not exceed £150 in total in respect of any employee in any year of assessment.

The new regulation 6 provides that, where there is no charge to tax under sections 261 (recreational benefits) and 317 (subsidised meals) of ITEPA in respect of the provision of those benefits to employees, there is no charge to tax in respect of their provision to persons other than employees who work on the employer’s premises, notwithstanding that the conditions set out in those sections may not be satisfied in respect of them.

These Regulations do not impose new costs on business.