



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 3

EMPLOYMENT INCOME: EARNINGS AND BENEFITS ETC. TREATED AS EARNINGS

CHAPTER 6

TAXABLE BENEFITS: CARS, VANS AND RELATED BENEFITS

[^{F1}Reduction for payments for private use

Textual Amendments

- F1** Ss. 155-164 substituted for ss. 155-166 (with effect in accordance with s. 80(2) of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 14 para. 5](#)

158 Reduction for payments for private use

- (1) The cash equivalent of the benefit of a van for a tax year under section [^{F2}155] (after any reduction under sections 156 and 157) is to be reduced if, as a condition of the van being available for the employee's private use, the employee—
 - (a) is required in that year to pay (whether by way of deduction from earnings or otherwise) an amount of money for that use, and
 - [^{F3}(b) pays that amount [^{F4}on or before 6 July following] that year.]
- (2) If the amount paid [^{F5}as mentioned in subsection (1)(b)] by the employee in respect of that year is equal to or exceeds that cash equivalent, it is reduced to nil.

Changes to legislation: There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Cross Heading: Reduction for payments for private use. (See end of Document for details)

- (3) In any other case that cash equivalent is reduced by the amount paid [^{F6}as mentioned in subsection (1)(b)] by the employee.
- (4) In this section the reference to the van being available for the employee's private use includes a reference to the van being available for the private use of a member of the employee's family or household.

Textual Amendments

- F2** Word in s. 158(1) substituted (with effect in accordance with s. 10(8) of the amending Act) by [Finance Act 2015 \(c. 11\), s. 10\(4\)](#)
- F3** S. 158(1)(b) substituted (with effect in accordance with s. 25(3) of the amending Act) by [Finance Act 2014 \(c. 26\), s. 25\(2\)](#)
- F4** Words in s. 158(1)(b) substituted (with effect in accordance with s. 1(14) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 1\(10\)\(a\)](#)
- F5** Words in s. 158(2) inserted (with effect in accordance with s. 1(14) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 1\(10\)\(b\)](#)
- F6** Words in s. 158(3) inserted (with effect in accordance with s. 1(14) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 1\(10\)\(c\)](#)

[^{F7}158A Van provided pursuant to optional remuneration arrangements: private use

- (1) In calculating the relevant amount under section 154A in relation to a van and a tax year, a deduction is to be made under step 2 of subsection (3) of that section if, as a condition of the van being available for the employee's private use, the employee—
- (a) is required in that year to pay (whether by way of deduction from earnings or otherwise) an amount of money for that use, and
 - (b) pays that amount on or before 6 July following that year.
- (2) The amount of the deduction is—
- (a) the amount paid as mentioned in subsection (1)(b) by the employee in respect of the year, or
 - (b) if less, the amount that would reduce the relevant amount to nil.
- (3) In this section the reference to the van being available for the employee's private use includes a reference to the van being available for the private use of a member of the employee's family or household.]]

Textual Amendments

- F7** [S. 158A](#) inserted (with effect in accordance with Sch. 2 para. 62 of the amending Act) by [Finance Act 2017 \(c. 10\), Sch. 2 para. 38](#)

Changes to legislation:

There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Cross Heading: Reduction for payments for private use.