



# 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

*Cars: reduction where shared car*

#### **148 Reduction of cash equivalent where car is shared**

- (1) This section applies [<sup>F1</sup>for the purposes of sections 121 and 121B] if in a tax year a car—
- (a) is available to more than one employee concurrently,
  - (b) is so made available by the same employer, and
  - (c) is available concurrently for each employee's private use,
- and two or more of those employees are chargeable to tax in respect of the car in that year by virtue of [<sup>F2</sup>sections 120 and 120A] .

[<sup>F3</sup>(2) The amount to be treated as earnings in respect of the benefit of the car is to be calculated separately for each of those employees for that tax year (whether under section 120 or section 120A).]

[<sup>F4</sup>(2A) [<sup>F5</sup>In the case of an employee chargeable to tax in respect of the car by virtue of section 120] The provisional sum calculated under step 7 in section 121(1) is to be reduced on a just and reasonable basis before making any deduction under step 8.]

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*Changes to legislation: There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Section 148. (See end of Document for details)*

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[<sup>F6</sup>(2B) In the case of an employee chargeable to tax in respect of the car by virtue of section 120A, the modified cash equivalent (as determined under section 121B(1)) is to be reduced on a just and reasonable basis.]

<sup>F7</sup>(3) .....

(4) In this section the reference to the car being available for each employee's private use includes a reference to the car being available for the private use of a member of the employee's family or household.

#### **Textual Amendments**

- F1** Words in s. 148(1) inserted (with effect in accordance with Sch. 2 para. 62 of the amending Act) by [Finance Act 2017 \(c. 10\)](#), **Sch. 2 para. 33(2)(a)**
- F2** Words in s. 148(1) substituted (with effect in accordance with Sch. 2 para. 62 of the amending Act) by [Finance Act 2017 \(c. 10\)](#), **Sch. 2 para. 33(2)(b)**
- F3** S. 148(2) substituted (with effect in accordance with Sch. 2 para. 62 of the amending Act) by [Finance Act 2017 \(c. 10\)](#), **Sch. 2 para. 33(3)**
- F4** S. 148(2A) inserted (1.3.2012) by [The Enactment of Extra-Statutory Concessions Order 2012 \(S.I. 2012/266\)](#), arts. 1, **3(3)(b)**
- F5** Words in s. 148(2A) inserted (with effect in accordance with Sch. 2 para. 62 of the amending Act) by [Finance Act 2017 \(c. 10\)](#), **Sch. 2 para. 33(4)**
- F6** S. 148(2B) inserted (with effect in accordance with Sch. 2 para. 62 of the amending Act) by [Finance Act 2017 \(c. 10\)](#), **Sch. 2 para. 33(5)**
- F7** S. 148(3) omitted (with effect in accordance with s. 13(4) of the amending Act) by virtue of [Finance Act 2015 \(c. 11\)](#), **Sch. 1 para. 7**

**Changes to legislation:**

There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Section 148.