



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 2

EMPLOYMENT INCOME: CHARGE TO TAX

[^{F1}CHAPTER 9

MANAGED SERVICE COMPANIES

Supplementary provisions

[^{F1}611 Meaning of “associate”

- (1) Subsections (2) to (4) apply for the purposes of this Chapter.
- (2) “Associate”, in relation to an individual, means—
 - (a) a member of the individual's family or household,
 - (b) a relative of the individual,
 - (c) a partner of the individual, or
 - (d) the trustee of any settlement in relation to which the individual, or a relative of the individual or member of the individual's family (living or dead), is or was a settlor.
- (3) “Associate”, in relation to a company, means a person connected with the company.
- (4) “Associate”, in relation to a partnership, means any associate of a member of the partnership.
- (5) If—
 - (a) a managed service company (“the MSC”) is a partnership, and

Changes to legislation: There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Section 611. (See end of Document for details)

(b) a person is an associate of another person by virtue only of being a member of the partnership,

the person is to be treated, for the purposes of this Chapter as it applies in relation to the MSC, as if the person were not an associate of that other person.

(6) In subsection (2), “relative” means ancestor, lineal descendant, brother or sister.

[^{F2}(7) For the purposes of subsection (2), two people living together as if they were a married couple or civil partners are treated as if they were married to, or civil partners of, each other.]]

Textual Amendments

- F1** Pt. 2 Ch. 9 inserted (retrospective to 6.4.2007) by [Finance Act 2007 \(c. 11\)](#), s. 25(2), [Sch. 3 para. 4](#)
- F2** [S. 61I\(7\)](#) substituted (2.12.2019) by [The Civil Partnership \(Opposite-sex Couples\) Regulations 2019 \(S.I. 2019/1458\)](#), reg. 1(2), [Sch. 3 para. 25\(3\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Section 61I.