



# Finance Act 2006

## 2006 CHAPTER 25

### PART 3

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER 5

#### PERSONAL TAXATION

#### *Mobile telephones and computers*

#### **60 Mobile telephones**

- (1) In section 266(2) of ITEPA 2003 (exemption of non-cash vouchers for exempt benefits), insert at the end “or  
(d) section 319 (mobile telephones).”
- (2) In section 267(2) of that Act (exemption of credit-tokens used for exempt benefits), after paragraph (f) insert—  
“(g) section 319 (mobile telephones).”
- (3) For section 319 of that Act (employment income: exemption for mobile telephones) substitute—

#### **“319 Mobile telephones**

- (1) No liability to income tax arises by virtue of section 62 (general definition of earnings) or Chapter 10 of Part 3 (taxable benefits: residual liability to charge) in respect of the provision of one mobile telephone for an employee without any transfer of property in it.
- (2) In this section “mobile telephone” means telephone apparatus which—
  - (a) is not physically connected to a land-line, and

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**Changes to legislation:** *There are currently no known outstanding effects for the Finance Act 2006, Cross Heading: Mobile telephones and computers. (See end of Document for details)*

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- (b) is not used only as a wireless extension to a telephone which is physically connected to a land-line,  
or any thing which may be used in such apparatus for the purpose of gaining access to, or using, a public electronic communications service.
- (3) In this section the reference to the provision of a mobile telephone includes a reference to the provision, together with the mobile telephone provided, of access to, or the use of, a public electronic communications service by means of one mobile telephone number.
- (4) For the purposes of subsection (2) “telephone apparatus” means wireless telegraphy apparatus designed or adapted for the primary purpose of transmitting and receiving spoken messages and used in connection with a public electronic communications service.”
- (4) This section has effect for the year 2006-07 and subsequent years of assessment.
- (5) But the amendment made by subsection (3) does not cause any liability to income tax to arise in respect of the provision of a mobile telephone for an employee, or a member of an employee's family or household, if the mobile telephone was first provided to him before 6th April 2006.

## **61 Computer equipment**

- (1) Omit section 320 of ITEPA 2003 (employment income: limited exemption for computer equipment).
- (2) This section has effect for the year 2006-07 and subsequent years of assessment.
- (3) But it does not cause any liability to income tax to arise in respect of the provision of computer equipment by making it available to an employee, or a member of an employee's family or household, if the computer equipment was first made available to him before 6th April 2006.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2006, Cross Heading:  
Mobile telephones and computers.