
STATUTORY INSTRUMENTS

2012 No. 266

The Enactment of Extra-Statutory Concessions Order 2012

Reduction of cash equivalent where car is shared: income tax

3.—(1) The Income Tax (Earnings and Pensions) Act 2003⁽¹⁾ is amended as follows.

(2) In section 121⁽²⁾ (method of calculating the cash equivalent of the benefit of a car) for subsection (3) substitute—

“(3) Where the car is shared the cash equivalent is calculated under this section in accordance with section 148.”

(3) In section 148 (reduction of cash equivalent where car is shared)—

(a) in subsection (2) omit paragraph (b) and the “and” before it,

(b) after that subsection, insert—

“(2A) 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.”, and

(c) in subsection (3) for “(2)(b)” substitute “(2A)”.

(1) 2003 c. 1

(2) Section 121 was amended by section 54(3) and paragraph 2 of Schedule 28 to the Finance Act 2009 (c. 10).