STATUTORY INSTRUMENTS

2015 No. 1948

INCOME TAX

The Income Tax (Approved Expenses) Regulations 2015

Made - - - -	*27th November 2015*
Laid before the House of Commons - - - -	*30th November 2015*
Coming into force - -	*21st December 2015*

The Commissioners for Her Majesty's Revenue and Customs, in exercise of the power conferred by section 289A(6)(a) and (7) of the Income Tax (Earnings and Pensions) Act 2003(**1**), make the following Regulations:

Modifications etc. (not altering text)

C1 Regulations modified (12.2.2019) by Finance Act 2019 (c. 1), **s. 10(10)**

Citation, commencement, interpretation and effect

1.—(1) These Regulations may be cited as the Income Tax (Approved Expenses) Regulations 2015 and come into force on 21st December 2015

(2) These Regulations have effect in relation to payments made in the tax year 2016-17 and subsequent tax years.

(3) In these Regulations "qualifying travel" means travel for which a deduction from the employee's earnings would be allowed under Chapter 2 or 5 of Part 5 of the Income Tax (Earnings and Pensions) Act 2003 ("ITEPA 2003").

Commencement Information

I1 Reg. 1 in force at 21.12.2015, see **reg. 1(1)**

Approved way of calculating and paying or reimbursing standard meal allowances

2.—(1) For the purposes of section 289A of ITEPA 2003, a sum is calculated and paid or reimbursed in an approved way if it is paid or reimbursed to an employee in respect of meals

(**1**) 2003 c. 1. Section 289A was inserted by section 11 of the Finance Act 2015 (c. 11).

purchased by the employee in the course of qualifying travel ("a meal allowance") and falls within paragraph (2) or (3).

(2) One meal allowance per day paid in respect of one instance of qualifying travel, the amount of which does not exceed—

(a) £5 where the duration of the qualifying travel in that day is 5 hours or more;

(b) £10 where the duration of the qualifying travel in that day is 10 hours or more; or

(c) £25 where the duration of the qualifying travel in that day is 15 hours or more and is ongoing at 8pm.

(3) An additional meal allowance not exceeding £10 per day paid where a meal allowance in sub-paragraph (2)(a) or (b) is paid and the qualifying travel in respect of which that allowance is paid is ongoing at 8pm.

Commencement Information

I2 Reg. 2 in force at 21.12.2015, see **reg. 1(1)**

[[F1]Expenses in the course of overseas travel

3. For the purposes of section 289A(2A)(a) of ITEPA 2003, an amount is calculated and paid or reimbursed in accordance with these regulations if it is paid or reimbursed to an employee in respect of expenses in the course of qualifying travel outside the United Kingdom and does not exceed the relevant rate or rates for such expenses published from time to time by the Commissioners for Her Majesty's Revenue and Customs.**]**

Textual Amendments

F1 Reg. 3 inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Income Tax (Approved Expenses) (Amendment) Regulations 2019 (S.I. 2019/358), regs. 1(1), **2(2)**

Edward Troup
Ruth Owen
Two of the Commissioners for Her Majesty's
Revenue and Customs

EXPLANATORY NOTE

(This note is not part of the Regulations)

The Finance Act 2015 (c.11) ("FA 2015") made various amendments to the Income Tax (Earnings and Pensions) Act 2003 (c.1) ("ITEPA") with a view to simplifying the way in which benefits and expenses provided to employees are taxed. FA 2015 inserted new Chapter 7A into ITEPA which exempts certain amounts which have been paid or reimbursed to employees in respect of expenses, where a deduction from income tax would previously have been available. An exemption from income tax is provided for amounts paid or reimbursed to employees where those amounts have been calculated and paid or reimbursed in an "approved way". These Regulations specify an approved way of calculating and paying or reimbursing expenses for the purposes of the section 289A exemption.

Regulation 1 provides that these Regulations shall have effect from the tax year 16-17 onwards and defines "qualifying travel".

Regulation 2 sets out the approved way of calculating and paying or reimbursing standard meal allowances for employees who are undertaking qualifying travel. Meal allowances which fall within the description set out in this regulation will be exempt from income tax.

Tax Information and Impact Notes covering this instrument were published on 10th December 2014 alongside the draft clauses and explanatory notes for the Finance Bill 2015 and are available on the Government website at https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins. They remain an accurate summary of the impacts that apply to this instrument.

Changes to legislation:
There are currently no known outstanding effects for the The Income Tax (Approved Expenses) Regulations 2015.