

Notes on new Finance Bill 2016 Resolutions/Committee of the Whole House

Taxable benefits (application of Chapter 5, 6 and 7 of Part 3 of the Income Tax (Earnings and Pensions) Act 2003)

Provides for a clarification of the law to ensure that the statutory provisions for calculating the tax charge on a benefit-in-kind contained in Chapters 5, 6 and 7 apply irrespective of whether the terms on which the benefit is provided constitute a fair bargain, or whether the cash equivalent of the benefit has been reduced to £nil. This amendment has effect for the tax year 2016-17 and subsequent tax years.

Travel expenses of workers providing services through intermediaries

The original resolution of 22 March 2016 provides for a restriction of travel and subsistence relief for individuals who supply personal services through an employment intermediary, by treating each engagement as a separate employment. The original resolution is varied to provide for an amendment to new section 339A to correct a technical error in the legislation. The amendment will apply retrospectively from 6 April 2016.