



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 4

EMPLOYMENT INCOME: EXEMPTIONS

CHAPTER 9

EXEMPTIONS: PENSION PROVISION

307 Death or retirement benefit provision

(1) No liability to income tax arises by virtue of Chapter 10 of Part 3 (taxable benefits: residual liability to charge) in respect of provision made by an employee's employer [^{F1}under a registered pension scheme or otherwise] for a retirement or death benefit.

[^{F2}(1A) Subsection (1) does not apply to provision made for insuring against the risk that a retirement or death benefit under an employer-financed retirement benefits scheme cannot be paid or given because of the employer's insolvency.

(1B) In subsection (1A) "employer-financed retirement benefits scheme" has the same meaning as in Chapter 2 of Part 6 (see section 393A).]

(2) In [^{F3}this section] "retirement or death benefit" means a pension, annuity, lump sum, gratuity or other similar benefit which will be paid or given to the employee [^{F4}, or paid or given in respect of the employee to any other individual or to a charity,] in the event of the employee's retirement or death.

Textual Amendments

F1 Words in s. 307(1) inserted (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), ss. **201(1)**, 284(1) (with Sch. 36)

F2 S. 307(1A)(1B) inserted (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), ss. **248(2)**, 284(1) (with Sch. 36)

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax (Earnings and Pensions) Act 2003. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- F3** Words in s. 307(2) substituted (6.4.2006) by Finance Act 2004 (c. 12), ss. 248(3), 284(1) (with Sch. 36)
- F4** Words in s. 307(2) substituted (with effect in accordance with s. 11(2) of the amending Act) by Finance Act 2019 (c. 1), s. 11(1)

Modifications etc. (not altering text)

- C1** S. 307 applied (with effect in accordance with reg. 1(2) of the amending S.I.) by The Pension Protection Fund (Tax) (2005-06) Regulations 2005 (S.I. 2005/1907), regs. 1(1), 14
- C2** S. 307 applied (6.4.2006) by The Pension Protection Fund (Tax) Regulations 2006 (S.I. 2006/575), regs. 1, 40

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 452(2)(aa) inserted by [2013 c. 29 Sch. 23 para. 11](#)
- s. 574A(2A) inserted by [2024 c. 3 Sch. 9 para. 61\(2\)](#)
- s. 637G(2)(a)(b) inserted by [S.I. 2024/356 reg. 2](#)
- s. 637Q applied (with modifications) by 2004 c. 12, Sch. 36 para. 20(1A) (as inserted) by [2024 c. 3 Sch. 9 para. 77\(3\)](#)
- s. 637R applied (with modifications) by 2004 c. 12, Sch. 36 para. 19(2)(2A) (as substituted) by [2024 c. 3 Sch. 9 para. 76\(4\)](#)
- s. 637S applied (with modifications) by 2004 c. 12, Sch. 36 para. 20(2) (as amended) by [2024 c. 3 Sch. 9 para. 77\(4\)\(a\)](#)
- s. 688AB inserted by [2024 c. 3 s. 17\(1\)](#)
- s. 707A inserted by [2024 c. 3 s. 36\(4\)](#)