



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 3

EMPLOYMENT INCOME: EARNINGS AND BENEFITS ETC. TREATED AS EARNINGS

CHAPTER 6

TAXABLE BENEFITS: CARS, VANS AND RELATED BENEFITS

[^{F1}Reduction for payments for private use

Textual Amendments

- F1** Ss. 155-164 substituted for ss. 155-166 (with effect in accordance with s. 80(2) of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 14 para. 5](#)

158 Reduction for payments for private use

- (1) The cash equivalent of the benefit of a van for a tax year under section [^{F2}155] (after any reduction under sections 156 and 157) is to be reduced if, as a condition of the van being available for the employee's private use, the employee—
 - (a) is required in that year to pay (whether by way of deduction from earnings or otherwise) an amount of money for that use, and
 - [^{F3}(b) pays that amount [^{F4}on or before 6 July following] that year.]
- (2) If the amount paid [^{F5}as mentioned in subsection (1)(b)] by the employee in respect of that year is equal to or exceeds that cash equivalent, it is reduced to nil.

Changes to legislation: Income Tax (Earnings and Pensions) Act 2003, Cross Heading: Reduction for payments for private use is up to date with all changes known to be in force on or before 22 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (3) In any other case that cash equivalent is reduced by the amount paid [^{F6}as mentioned in subsection (1)(b)] by the employee.
- (4) In this section the reference to the van being available for the employee's private use includes a reference to the van being available for the private use of a member of the employee's family or household.

Textual Amendments

- F2** Word in s. 158(1) substituted (with effect in accordance with s. 10(8) of the amending Act) by [Finance Act 2015 \(c. 11\), s. 10\(4\)](#)
- F3** S. 158(1)(b) substituted (with effect in accordance with s. 25(3) of the amending Act) by [Finance Act 2014 \(c. 26\), s. 25\(2\)](#)
- F4** Words in s. 158(1)(b) substituted (with effect in accordance with s. 1(14) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 1\(10\)\(a\)](#)
- F5** Words in s. 158(2) inserted (with effect in accordance with s. 1(14) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 1\(10\)\(b\)](#)
- F6** Words in s. 158(3) inserted (with effect in accordance with s. 1(14) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 1\(10\)\(c\)](#)

[^{F7}158A Van provided pursuant to optional remuneration arrangements: private use

- (1) In calculating the relevant amount under section 154A in relation to a van and a tax year, a deduction is to be made under step 2 of subsection (3) of that section if, as a condition of the van being available for the employee's private use, the employee—
- (a) is required in that year to pay (whether by way of deduction from earnings or otherwise) an amount of money for that use, and
 - (b) pays that amount on or before 6 July following that year.
- (2) The amount of the deduction is—
- (a) the amount paid as mentioned in subsection (1)(b) by the employee in respect of the year, or
 - (b) if less, the amount that would reduce the relevant amount to nil.
- (3) In this section the reference to the van being available for the employee's private use includes a reference to the van being available for the private use of a member of the employee's family or household.]]

Textual Amendments

- F7** [S. 158A](#) inserted (with effect in accordance with Sch. 2 para. 62 of the amending Act) by [Finance Act 2017 \(c. 10\), Sch. 2 para. 38](#)

Changes to legislation:

Income Tax (Earnings and Pensions) Act 2003, Cross Heading: Reduction for payments for private use is up to date with all changes known to be in force on or before 22 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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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. 707A inserted by [2024 c. 3 s. 36\(4\)](#)