



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

Vans: value of shared availability

161 Value of shared availability: normal calculation

(1) The value of shared availability is calculated as follows—

Step 1

Identify the van or vans involved in the calculation. They are—

- (a) the shared van, and
- (b) where that van is made available by the employer, any other vans made available (whether or not to the employee or a member of the employee's family or household) by the same employer which are shared vans for the whole or any part of the tax year in question.

Step 2

Determine whether the employee is a participating employee within the meaning of section 162.

If the employee is not, then the value of shared availability is nil.

Step 3

Determine the total number of participating employees within the meaning of section 162.

Status: This is the original version (as it was originally enacted).

Step 4

Find the basic value of the van for the year under section 163 or, where more than one van is involved, the basic value of each of those vans for the year under that section.

Step 5

Calculate the reckonable amount which is given by the formula—

$$\frac{\mathbf{BV}}{\mathbf{PE}}$$

where—

BV is the basic value of the van or, where more than one van is involved, the total of the basic values of each of those vans, and

PE is the total number of participating employees.

Step 6

If the reckonable amount exceeds £500, the provisional sum is £500.

In any other case, the provisional sum is the reckonable amount.

Step 7

Make any deduction from the provisional sum under section 165 in respect of payments by the employee for the private use of the van or vans involved.

The result is the value of shared availability.

- (2) The calculation is made under this section in relation to a participating employee regardless of—
- (a) the number of vans involved which are available to the particular employee,
 - (b) the fact that a particular van involved is or is not available to, or used by, the employee, or
 - (c) the extent to which a particular van involved is available to, or used by, the employee.