



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 3

EMPLOYMENT INCOME: EARNINGS AND BENEFITS ETC. TREATED AS EARNINGS

CHAPTER 7

TAXABLE BENEFITS: LOANS

Introduction

173 Loans to which this Chapter applies

(1) This Chapter applies to a loan if it is an employment-related loan.

[^{F1}(1A) Where this Chapter applies to a loan—

- (a) the loan is a benefit for the purposes of this Chapter (and accordingly it is immaterial whether the terms of the loan constitute a fair bargain), and
- (b) sections 175 to 183 [^{F2}make provision about amounts which, in the case of a taxable cheap loan, are to be treated as earnings in certain circumstances] .]

(2) In this Chapter—

- (a) “loan” includes any form of credit, and
- (b) references to making a loan (and related expressions) include arranging, guaranteeing or in any way facilitating a loan.

(3) Sections 288 and 289 make provision for exemption and relief for certain bridging loans connected with employment moves.

Changes to legislation: *Income Tax (Earnings and Pensions) Act 2003, Section 173 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*

Textual Amendments

- F1** S. 173(1A) inserted (with effect in accordance with s. 7(9) of the amending Act) by [Finance Act 2016 \(c. 24\), s. 7\(8\)](#)
- F2** Words in s. 173(1A)(b) substituted (with effect in accordance with Sch. 2 para. 62 of the amending Act) by [Finance Act 2017 \(c. 10\), Sch. 2 para. 42](#)

Changes to legislation:

Income Tax (Earnings and Pensions) Act 2003, Section 173 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.

[View outstanding changes](#)

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\(4\)](#)