



# Income Tax (Earnings and Pensions) Act 2003

## 2003 CHAPTER 1

### PART 4

#### EMPLOYMENT INCOME: EXEMPTIONS

#### CHAPTER 2

##### EXEMPTIONS: MILEAGE ALLOWANCES AND PASSENGER PAYMENTS

##### *Passenger payments*

#### **234 The approved amount for passenger payments**

(1) The approved amount for passenger payments is—

$$M \times R$$

where—

M is the number of miles of business travel by the employee by car or van—

- (a) for which the employee carries in the tax year in question one or more passengers who are also employees for whom the travel is business travel, and
- (b) in respect of which passenger payments are made;

R is a rate of 5p per mile.

(2) If the employee carries for all or part of the tax year two or more passengers who are also employees for whom the travel is business travel, the approved amount for passenger payments is the total of the amounts calculated separately under subsection (1) in respect of each of those passengers.

**Status:** *This is the original version (as it was originally enacted).*

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(3) The Treasury may by regulations amend subsection (1) so as to alter the rate.