



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 4

EMPLOYMENT INCOME: EXEMPTIONS

CHAPTER 5

EXEMPTIONS: RECREATIONAL BENEFITS

Recreational facilities

261 Exemption of recreational benefits

- (1) No liability to income tax arises in respect of the provision to an employee or a member of an employee's family or household of benefits within subsection (2).
- (2) The benefits are—
 - (a) sporting or other recreational facilities which meet conditions A to C, and
 - (b) a right or opportunity to make use of such facilities.

This is subject to section 262.

- (3) Condition A is that the facilities are available generally to the employees of the employer in question.
- (4) Condition B is that they are not available to members of the public generally.
- (5) Condition C is that they are used wholly or mainly by persons whose right or opportunity to use them is employment-related (whether or not by reference to the same employer).

Changes to legislation: Income Tax (Earnings and Pensions) Act 2003, Section 261 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](#)

- (6) A person's right or opportunity to use facilities is "employment-related" if and only if—
- (a) it derives from the person being—
 - (i) an employee or former employee, or
 - (ii) a member or former member of the family or household of an employee or former employee,of a particular employer, and
 - (b) the facilities are provided so as to be available generally to that employer's employees.

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[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\(4\)](#)