



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 4

EMPLOYMENT INCOME: EXEMPTIONS

CHAPTER 8

EXEMPTIONS: SPECIAL KINDS OF EMPLOYEES

MPs, government ministers etc.

291 Termination payments to MPs and others ceasing to hold office

- (1) No liability to income tax in respect of earnings arises by virtue of any grant or payment to which this section applies (but see Chapter 3 of Part 6: payments and benefits on termination of employment etc.).
- (2) This section applies to grants and payments—
 - [^{F1}(a) made under section 5(1) of the Parliamentary Standards Act 2009 in connection with a person's ceasing to be a member of the House of Commons,]
 - (b) made under section 4 of the Ministerial and other Pensions and Salaries Act 1991 (c. 5) (grants to persons ceasing to hold certain ministerial and other offices),
 - (c) made under section 3 of the European Parliament (Pay and Pensions) Act 1979 (c. 50) (resettlement grants for persons ceasing to be Representatives), [^{F2}or under Article 13 of the Statute for Members of the European Parliament (transitional allowances),]
 - (d) made under section 81(3) of the Scotland Act 1998 (c. 46) to a person—
 - (i) ceasing to be a member of the Scottish Parliament on its dissolution,
 - or

Changes to legislation: *Income Tax (Earnings and Pensions) Act 2003, Section 291 is up to date with all changes known to be in force on or before 13 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*

- (ii) ceasing to hold an office corresponding to a relevant office,
 - [^{F3}(e) made under section 20(3) of the Government of Wales Act 2006 to a person—
 - (i) ceasing to be a member of the National Assembly for Wales; or
 - (ii) ceasing to hold office as the Presiding Officer, Deputy Presiding Officer, or such other office in connection with the Assembly as the Assembly may determine, but continuing to be an Assembly Member,
 - (ea) made under section 53(3) of the Government of Wales Act 2006 to a person ceasing to be a member of the Welsh Assembly Government^{F4} ...]
 - (f) made under section 48(1) of the Northern Ireland Act 1998 (c. 47) to a person—
 - (i) ceasing to be a member of the Northern Ireland Assembly on its dissolution, or
 - (ii) ceasing to hold an office corresponding to a relevant office^{F5}, or
 - (g) made under section 26A of the Greater London Authority Act 1999 (payments on ceasing to hold office as Mayor of London or as a member of the London Assembly).]
- (3) In this section “a relevant office” has the same meaning as in section 4 of the Ministerial and other Pensions and Salaries Act 1991.

Textual Amendments

- F1** S. 291(2)(a) substituted (with effect in accordance with s. 15(2) of the amending Act) by [Finance Act 2012 \(c. 14\)](#), **s. 15(1)**
- F2** Words in s. 291(2)(c) inserted (with effect in accordance with s. 56(3) of the amending Act) by [Finance Act 2009 \(c. 10\)](#), **s. 56(2)**
- F3** S. 291(2)(e)(ea) substituted for s. 291(2)(e) (25.5.2007) by [The Government of Wales Act 2006 \(Consequential Modifications and Transitional Provisions\) Order 2007 \(S.I. 2007/1388\)](#), **Sch. 1 para. 102**
- F4** Word in s. 291(2)(ea) omitted (with effect in accordance with s. 52(4) of the amending Act) by virtue of [Finance Act 2008 \(c. 9\)](#), **s. 52(2)**
- F5** S. 291(2)(g) and word inserted (with effect in accordance with s. 52(4) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 52(3)**

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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\(4\)](#)