



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 5 U.K.

EMPLOYMENT INCOME: DEDUCTIONS ALLOWED FROM EARNINGS

CHAPTER 5 U.K.

DEDUCTIONS FOR EARNINGS REPRESENTING BENEFITS OR REIMBURSED EXPENSES

Travel costs and expenses of non-domiciled employees where duties performed in UK

374 Non-domiciled employee's spouse's [^{F1}, civil partner's] or child's travel costs and expenses where duties performed in UK U.K.

- (1) This section applies if a person (“the employee”) who is not domiciled in the United Kingdom—
 - (a) receives earnings from an employment for duties performed in the United Kingdom, and
 - (b) an amount is included in the earnings in respect of—
 - (i) the provision of travel facilities for a journey made by the employee's spouse [^{F2}, civil partner] or child, or
 - (ii) the reimbursement of expenses incurred by the employee on such a journey.
- (2) A deduction is allowed from earnings from the employment which are earnings charged on receipt if conditions A to C are met.
- (3) Condition A is that the journey—
 - (a) is made between the country outside the United Kingdom in which the employee normally lives and a place in the United Kingdom, and

Changes to legislation: *Income Tax (Earnings and Pensions) Act 2003, Section 374 is up to date with all changes known to be in force on or before 06 July 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*

- (b) ends on, or during the period of 5 years beginning with, a date that is a qualifying arrival date in relation to the employee (see section 375).
- (4) Condition B is that the employee is in the United Kingdom for a continuous period of at least 60 days for the purpose of performing the duties of one or more employments from which the employee receives earnings for duties performed in the United Kingdom.
- (5) Condition C is that the employee’s spouse [^{F3}, civil partner] or child is—
- (a) accompanying the employee at the beginning of that period,
 - (b) visiting the employee during that period, or
 - (c) returning to the country outside the United Kingdom in which the employee normally lives, after so accompanying or visiting the employee.
- (6) If the journey is wholly for the purpose of so accompanying or visiting the employee or so returning, the deduction is equal to the included amount.
- (7) If the journey is only partly for that purpose, the deduction is equal to so much of the included amount as is properly attributable to that purpose.
- (8) A deduction is not allowed under this section for more than two inward journeys and two return journeys by the same person in a tax year.
- (9) In this section “child” includes a stepchild and an illegitimate child, but not a person who is 18 or over at the beginning of the inward journey.
- [^{F4}(10) Section 835BA of ITA 2007 (deemed domicile) applies for the purposes of subsection (1).]

Textual Amendments

- F1** Words in s. 374 heading inserted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), regs. 1(1), **148(3)**
- F2** Words in s. 374(1)(b)(i) inserted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), regs. 1(1), **148(2)**
- F3** Words in s. 374(5) inserted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), regs. 1(1), **148(2)**
- F4** S. 374(10) inserted (with effect in accordance with Sch. 8 para. 10(6) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), **Sch. 8 para. 10(4)**

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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\(4\)](#)