



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 9

PENSION INCOME

CHAPTER 18

EXEMPTIONS: NON-UK RESIDENT TAXPAYERS

652 Overseas Service Act 1958

- (1) No liability to income tax arises on a pension—
 - (a) which is paid under the authority of the Overseas Service Act 1958 (c. 14), and
 - (b) which the Secretary of State certifies to be attributable to the employment of a person in the public services of an overseas territory,if the foreign residence condition is met.
- (2) If the Secretary of State certifies that only part of a pension paid under the authority of the 1958 Act is attributable to the employment of a person in the public services of an overseas territory, subsection (1) applies only to that part of the pension.
- (3) For the purposes of subsections (1) and (2) a pension is paid under the authority of the 1958 Act if condition A or B is met.
- (4) Condition A is that the pension is paid under either of the following—
 - (a) an order made under section 2 of the 1958 Act, or
 - (b) section 4(2) of the 1958 Act,as it has effect (by reason of section 2(3) of OPA 1973) as a scheme under section 2 of OPA 1973.
- (5) Condition B is that the pension is paid under a scheme which the Secretary of State—

Changes to legislation: *Income Tax (Earnings and Pensions) Act 2003, Section 652 is up to date with all changes known to be in force on or before 23 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*

- (a) has made under section 2(1) of OPA 1973, and
 - (b) has certified to correspond to—
 - (i) an order made under section 2 of the 1958 Act, or
 - (ii) section 4(2) of the 1958 Act.
- (6) For the purposes of this section, a person is taken to be employed in the public service of an overseas territory at any time when—
- (a) the person is employed in any capacity under the government of that territory, or under any municipal or other local authority in it,
 - (b) the person is employed in circumstances not falling within paragraph (a), by a body corporate established for any public purpose in that territory by an enactment of a legislature empowered to make laws for that territory, or
 - (c) the person is the holder of a public office in that territory in circumstances not falling within paragraph (a) or (b).
- (7) In subsection (6) references to the government of an overseas territory include references to—
- (a) a government constituted for two or more overseas territories, and
 - (b) any authority established for the purpose of providing or administering services which are common to, or relate to matters of common interest to, two or more such territories.
- (8) In this section—
- “the 1958 Act” means the Overseas Service Act 1958 (c. 14);
 - “certified” means certified for the purposes of ICTA 1970, ICTA or this Act.

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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\(4\)](#)