



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 3

EMPLOYMENT INCOME: EARNINGS AND BENEFITS ETC. TREATED AS EARNINGS

CHAPTER 2

TAXABLE BENEFITS: THE BENEFITS CODE

General definitions for benefits code

[^{F1}69A Optional remuneration arrangements

- (1) Subsections (2) to (7) have effect for the purposes of the benefits code.
- (2) A benefit provided for an employee is provided under “optional remuneration arrangements” so far as it is provided under arrangements of type A or B (regardless of whether those arrangements are made before or after the beginning of the person's employment).
- (3) “Type A arrangements” are arrangements under which, in return for the benefit, the employee gives up the right (or a future right) to receive an amount of earnings within Chapter 1 of Part 3.
- (4) “Type B arrangements” are arrangements (other than type A arrangements) under which the employee agrees to be provided with the benefit rather than an amount of earnings within Chapter 1 of Part 3.
- (5) A benefit provided for an employee is to be regarded as provided under optional remuneration arrangements (whether of type A or type B) so far as it is just and reasonable to attribute the provision of the benefit to the arrangements in question.

Status: Point in time view as at 27/04/2017.

Changes to legislation: *Income Tax (Earnings and Pensions) Act 2003, Section 69A is up to date with all changes known to be in force on or before 22 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)*

- (6) Where a benefit is provided for an employee under any arrangements, the mere fact that under the arrangements the employee makes good, or is required to make good, any part of the cost of provision is not to be taken to show that the benefit is (to any extent) provided otherwise than under optional remuneration arrangements.
- (7) Where a benefit is provided for an employee partly under optional remuneration arrangements and partly otherwise than under such arrangements, the benefits code is to apply with any modifications (including provision for just and reasonable apportionments) that may be required for ensuring that the benefit is treated—
- (a) in accordance with the relevant provision in the column 2 of the table so far as it is provided under optional remuneration arrangements, and
 - (b) in accordance with the relevant provision in column 1 of the table so far as it is provided otherwise than under such arrangements.

Column 1	Column 2
Section	Section
81(1)	81(1A)(b)
87(1)	87A(1)(a)
94(1)	94A(1)(a)
102(1A)	102(1B)(b)
120(1)	120A(1)(a)
149(1)	149A(2)(a)
154(1)	154A(1)(a)
160(1)	160A(2)(a)
175(1)	175(1A)(b)
203(1)	203A(1)(a)]

Textual Amendments

F1 Ss. 69A, 69B inserted (with effect in accordance with Sch. 2 para. 62 of the amending Act) by [Finance Act 2017 \(c. 10\)](#), [Sch. 2 para. 1](#)

Status:

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