
STATUTORY INSTRUMENTS

1994 No. 775

INCOME TAX

**The Income Tax (Employments)
(Amendment) Regulations 1994**

<i>Made</i>	- - - -	<i>15th March 1994</i>
<i>Laid before the House of Commons</i>	- - - -	<i>16th March 1994</i>
<i>Coming into force</i>	- -	<i>6th April 1994</i>

The Commissioners of Inland Revenue, in exercise of the powers conferred on them by section 203 of the Income and Corporation Taxes Act 1988(1), hereby make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Income Tax (Employments) (Amendment) Regulations 1994 and shall come into force on 6th April 1994.

Interpretation

2. In these Regulations “the principal Regulations” means the Income Tax (Employments) Regulations 1993(2), and “regulation” means a regulation of those Regulations.

Amendments to the principal Regulations

3. In regulation 5—

- (a) in paragraph (2)(b) the words “, notwithstanding regulation 4” shall be omitted;
- (b) in paragraph (3)(a) for the words “regulation 4” there shall be substituted the words “paragraph (4)”;
- (c) after paragraph (3) there shall be added—
 - “(4) Where this paragraph applies—
 - (a) the principal employer shall be deemed to be the employer for the purposes of these Regulations in relation to any gratuities or service charges falling within paragraph (3)(a);

(1) 1988 c. 1; section 203 was amended by section 128 of, and paragraph 4 of Schedule 3 to, the Finance Act 1988 (c. 39) and by section 45(3) of, and Part IV of Schedule 17 to, the Finance Act 1989 (c. 26).
(2) S.I.1993/744, amended by S.I. 1993/2276.

- (b) the tronc-master shall furnish the principal employer with such particulars of every payment by way of the sharing out of gratuities or service charges to be made to an employee as may be necessary to enable the principal employer to comply with the provisions of these Regulations;
- (c) the principal employer shall, on making any payment of gratuities or service charges to the tronc-master, deduct or repay tax in accordance with these Regulations in respect of the amount of such gratuities or service charges to be paid to each employee, and shall notify the tronc-master of each amount so deducted or repaid.

(5) In paragraphs (3) and (4) “the principal employer” means the person under whose general control and management the employees in question work.”.

4. After regulation 46 there shall be inserted—

“Return where a car is made available

46A.—(1) In the circumstances specified in paragraph (2), the employer shall render a return to the inspector, not later than 28 days after the end of each income tax quarter, in such form as the Board may approve or prescribe, containing the particulars specified in paragraph (3) in respect of each relevant employee.

- (2) The circumstances specified in this paragraph are where in any year—
 - (a) the benefit of a car is chargeable to income tax under section 157 of the Taxes Act⁽³⁾ as the employee’s income, and
 - (b) one or more of the following occurs in the income tax quarter, namely—
 - (i) a car which was unavailable becomes available;
 - (ii) a car which was available becomes unavailable;
 - (iii) where a car is available to an employee, or to others being members of his family or household, by reason of the employee’s employment, the employee becomes a relevant employee.
- (3) The particulars specified in this paragraph are particulars of—
 - (a) the name of the employee;
 - (b) the employee’s national insurance number;
 - (c) the car which is or becomes available or has become unavailable;
 - (d) the price of the car;
 - (e) any capital sum contributed by the employee to expenditure on the provision of the car or on any qualifying accessory which is taken into account in determining the price of the car;
 - (f) any amount which, as a condition of the car being available for his private use, the employee is required to pay in the year concerned for that use (whether by way of deduction from his emoluments or otherwise);
 - (g) any provision of fuel for private use.

(3) Section 157 of the Income and Corporation Taxes Act 1988 was amended by section 53(2)(b) of the Finance Act 1989 and by paragraph 2 of Schedule 3 and Part III(3) of Schedule 23 to the Finance Act 1993 (c. 34).

(4) For the purposes of sub-paragraphs (d) and (e) of paragraph (3) the price of a car shall be determined in accordance with the provisions contained in sections 168A to 168G of the Taxes Act(4).

(5) In this regulation—

“available” shall be construed in accordance with paragraph 10 of Schedule 6 to the Taxes Act(5);

“qualifying accessory” has the meaning given by section 168A(10) of the Taxes Act; a “relevant employee” means an employee who is employed in employment to which Chapter II of Part V of the Taxes Act applies;

“unavailable” shall be construed in accordance with paragraph 9 of Schedule 6 to the Taxes Act.”.

L. J. H. Beighton

C. W. Corlett

15th March 1994

Two of the Commissioners of Inland Revenue

(4) Sections 168A to 168G were inserted, with effect for the year 1994-95 and subsequent years of assessment, by paragraphs 4 and 7 of Schedule 3 to the Finance Act 1993.

(5) Schedule 6 was substituted, with effect for the year 1994-95 and subsequent years of assessment, by paragraphs 5 and 7 of Schedule 3 to the Finance Act 1993.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Order)

These Regulations amend the [Income Tax \(Employments\) Regulations 1993 \(S. I. 1993/744\)](#) (“the principal Regulations”).

Regulation 3 amends regulation 5 of the principal Regulations (trons) so as to clarify the application of that regulation in circumstances where the tronc-master fails to observe the requirements of the principal Regulations.

Regulation 4 inserts a new regulation 46A in the principal Regulations. The new regulation requires an employer, in certain specified circumstances, to render a return to the inspector, not later than 28 days after the end of each income tax quarter, in respect of each employee who is employed in employment to which Chapter II of Part V of the Income and Corporation Taxes Act 1988 (employees earning £8,500 or more and directors) applies. The regulation also specifies particulars to be contained in the return.

The specified circumstances are that in any year the benefit of a car is chargeable to income tax under section 157 of the 1988 Act (cars available for private use) and either there is a change in any car provided by the employer or, where a car has previously been made available to an employee or to others in his family or household by reason of his employment, the employee becomes employed in employment to which Chapter II of Part V of the 1988 Act applies.