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STATUTORY INSTRUMENTS

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**2006 No. 132**

**INCOME TAX**

**The Armed Forces and Reserve Forces (Compensation Scheme)  
(Excluded Benefits for Tax Purposes) Regulations 2006**

<i>Made</i>	- - - -	<i>25th January 2006</i>
<i>Laid before the House of Commons</i>	- - - -	<i>26th January 2006</i>
<i>Coming into force</i>	- -	<i>6th April 2006</i>

The Commissioners for Her Majesty's Revenue and Customs, in exercise of the powers conferred by section 393B of the Income Tax (Earnings and Pensions) Act 2003<sup>(1)</sup>, and now exercisable by them<sup>(2)</sup>, make the following Regulations:

**Citation and commencement**

**1.** These Regulations may be cited as the Armed Forces and Reserve Forces (Compensation Scheme) (Excluded Benefits for Tax Purposes) Regulations 2006 and shall come into force on 6th April 2006.

**Benefits excluded from charge under Chapter 2 of Part 6 of ITEPA 2003**

**2.** Any benefit provided under the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005<sup>(3)</sup> is prescribed for the purposes of section 393B(3)(d) of the Income Tax Earnings and Pensions Act 2003 (prescribed benefits to be excluded benefits for the purposes of Chapter 2 of Part 6 of that Act).

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(1) [2003 c. 1](#). Section 393B was inserted, by way of substitution for section 393 as originally enacted, by section 249 of the Finance Act [2004 \(c. 12\)](#).

(2) The functions of the Commissioners of Inland Revenue were transferred to the Commissioners for Her Majesty's Revenue and Customs by section 5(2) of the Commissioners for Revenue and Customs Act [2005 \(c. 11\)](#). Section 50 of that Act provides that insofar as it is appropriate in consequence of section 5 a reference, however expressed, to the Commissioners of Inland Revenue is to be read as a reference to the Commissioners for Her Majesty's Revenue and Customs.

(3) [S.I.2005/439](#).

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**Status:** This is the original version (as it was originally made).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

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25th January 2006

*Paul Gray*  
*Mike Eland*  
Two of the Commissioners for Her Majesty's  
Revenue and Customs

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations prescribe any benefit which is provided under the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005 (S.I 2005/439) as an excluded benefit under section 393B(3)(d) of the Income Tax Earnings and Pensions Act 2003 (c. 1) and hence not a relevant benefit for the purposes of Chapter 2 of Part 6 of that Act.

A regulatory impact assessment in respect of the provisions of Part 4 of the Finance Act 2004 and subordinate legislation under it was published by the Board of Inland Revenue on 8 April 2004, and is available on the website of Her Majesty's Revenue and Customs at [www.hmrc.gov.uk/ria/simplifying-pensions.pdf](http://www.hmrc.gov.uk/ria/simplifying-pensions.pdf) or (for hard copies) by writing to the Ministerial Correspondence Unit, 1st Floor Ferrers House, PO Box 38, Castle Meadow Road, Nottingham, NG2 1BB.