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STATUTORY INSTRUMENTS

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**2016 No. 350**

**INCOME TAX**

**The Income Tax (Travel Expenses of Members  
of Local Authorities etc.) Regulations 2016**

<i>Made</i>	- - - -	<i>11th March 2016</i>
<i>Laid before the House of Commons</i>	- - - -	<i>14th March 2016</i>
<i>Coming into force</i>	- -	<i>6th April 2016</i>

The Treasury make the following Regulations in exercise of the powers conferred by sections 235A(6) and 295A(4) of the Income Tax (Earnings and Pensions) Act 2003<sup>(1)</sup>.

**Citation and commencement**

1. These Regulations may be cited as the Income Tax (Travel Expenses of Members of Local Authorities etc.) Regulations 2016 and come into force on 6th April 2016.

**Relevant authority**

2. For the purposes of sections 235A and 295A of the Income Tax (Earnings and Pensions) Act 2003, a body is a relevant authority if it is—

- (a) in England—
  - (i) a county council,
  - (ii) a district council,
  - (iii) a London borough council,
  - (iv) the Council of the Isles of Scilly, or
  - (v) a parish council,
- (b) in Wales—
  - (i) a county council,
  - (ii) a county borough council, or
  - (iii) a community council,

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<sup>(1)</sup> 2003 c. 1; sections 235A and 295A were inserted by section 29 of the Finance Act (No.2) 2015 (c. 33).

- (c) in Scotland, a council constituted under section 2 of the Local Government etc. (Scotland) Act 1994<sup>(2)</sup>, or
- (d) in Northern Ireland, a district council.

### **Qualifying payment**

**3.**—(1) For the purposes of sections 235A and 295A of the Income Tax (Earnings and Pensions) Act 2003, “qualifying payment” means a payment falling within paragraph (2) which is made—

- (a) to a member of a relevant authority by a relevant authority, and
- (b) in connection with activities undertaken by the member as a member of that authority.

(2) A payment falls within this paragraph if it is made—

- (a) under a scheme made under regulation 8 of the Local Authorities (Members’ Allowances) (England) Regulations 2003<sup>(3)</sup>,
- (b) under regulation 26 of those Regulations<sup>(4)</sup>,
- (c) in accordance with a requirement or authorisation under section 142 of the Local Government (Wales) Measure 2011<sup>(5)</sup>,
- (d) under regulation 4 or 5 of the Local Government (Allowances and Expenses) (Scotland) Regulations 2007<sup>(6)</sup>, or
- (e) under regulation 7 of the Local Government (Payments to Councillors) Regulations (Northern Ireland) 2012<sup>(7)</sup>.

*Charlie Elphicke*  
*George Hollingbery*  
Two of the Lords Commissioners of Her  
Majesty’s Treasury

11th March 2016

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(2) 1994 c. 39.

(3) S.I. 2003/1021.

(4) Regulation 26 was amended by S.I. 2003/1692.

(5) 2011 nawm 4. Section 142 was amended by section 62 of the Local Government (Democracy) Wales Act 2013 (2013 anawm 4). There are other amendments but none are relevant.

(6) S.S.I. 2007/108, amended by S.S.I. 2008/414, 2010/45, 2010/111, 2011/304.

(7) S.R. (NI) 2012 No 85.

## EXPLANATORY NOTE

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

These Regulations specify bodies which are relevant authorities and define “qualifying payment” for the purposes of sections 235A and 295A of the Income Tax (Earnings and Pensions) Act 2003 (c. 1), which provide that payments of certain travel expenses made to local authority members are exempt from income tax.

A Tax Impact and Information Note was published on 10th December 2014 alongside the draft clauses and explanatory notes for Finance Bill (No.2) 2015 (c.33) and is available on the website at <http://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>. It remains an accurate summary of the impacts that apply to this instrument.