

2023 No. 1171

INCOME TAX

The War Widows Recognition Payment Scheme (Income Tax Exemption) Regulations 2023

Made - - - - *8th November 2023*
Laid before the House of Commons *10th November 2023*
Coming into force - - *1st December 2023*

The Treasury make the following Regulations in exercise of the powers conferred by paragraphs 2(5) and (6) and 3(5) of Schedule 15 to the Finance Act 2020(a).

Citation, commencement and effect

1. These Regulations may be cited as the War Widows Recognition Payment Scheme (Income Tax Exemption) Regulations 2023 and come into force on 1st December 2023.

Exemption from income tax for payments made under the War Widows Recognition Payment Scheme

2.—(1) A payment made by the Ministry of Defence to a person under the War Widows Recognition Payment Scheme is a qualifying payment for the purposes of paragraph 3 of Schedule 15 to the Finance Act 2020.

(2) This regulation applies to payments received on or after 1st October 2023.

Andrew Stephenson
Scott Mann

8th November 2023

Two of the Lords Commissioners of His Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

These Regulations provide for an exemption from income tax with retrospective effect for War Widows Recognition Payment Scheme payments.

Schedule 15 to the Finance Act 2020 provides for exemptions and relief from tax in respect of qualifying payments. Under paragraph 2(5) of that Schedule the Treasury may by regulations specify compensation payments made by a public authority or by or on behalf of the United Kingdom government to be qualifying payments. Paragraph 3 of the Schedule provides for an exemption from income tax in respect of a receipt of a qualifying payment.

Regulation 2 specifies that War Widows Recognition Payment Scheme payments are qualifying payments for the purposes of paragraph 3 of Schedule 15 to the Finance Act 2020. This means there is no liability to income tax arising from payments under the scheme received on or after 1st October 2023.

War Widows Recognition payments are made by the Ministry of Defence to those who forfeited their entitlement to a pension or allowance for a service attributable death prior to 2015 and have not had this pension or allowance restored through divorce or subsequent bereavement and are not eligible to make an application to restore the pension or allowance.

A Tax Information and Impact Note has not been prepared for this instrument because it contains no substantive changes to tax policy.

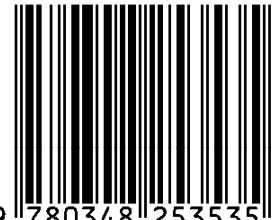
© Crown copyright 2023

Printed and published in the UK by The Stationery Office Limited under the authority and superintendence of Jeff James, Controller of His Majesty's Stationery Office and King's Printer of Acts of Parliament.

£5.78

<http://www.legislation.gov.uk/id/uksi/2023/1171>

ISBN 978-0-34-825353-5



9 780348 253535