

2024 No. 901

INCOME TAX

**The Income Tax (Exemption of Social Security Benefits) (No. 2)
Regulations 2024**

Made - - - - *4th September 2024*
Laid before the House of Commons *5th September 2024*
Coming into force - - *21st October 2024*

The Treasury make these Regulations in exercise of the powers conferred by section 13(1) of the Finance Act 2020^(a).

Citation, Commencement and Interpretation

1.—(1) These Regulations may be cited as the Income Tax (Exemption of Social Security Benefits) (No. 2) Regulations 2024 and come into force on 21st October 2024.

Amendment to the Income Tax (Earnings and Pensions) Act 2003

2.—(1) Chapter 5 of Part 10 of ITEPA 2003^(b) (social security income) is amended as follows.

(2) In section 677(1) of ITEPA 2003, in Part 1 of Table B (UK social security benefits wholly exempt from tax: Table B: benefits payable under primary legislation and Northern Ireland welfare supplementary payments etc), at the appropriate place insert—

| | |
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| “Pension Age Disability Payment ^(c) SS(S)A 2018 ^(d) | Sections 24 and 31”. |
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(a) 2020 c. 14. The Parliamentary procedure for section 13 of the Finance Act 2020 is found at section 1014 of the Income Tax Act 2007 (c. 3), which applies to all powers under the “Income Tax Acts”, as defined by Schedule 1 to the Interpretation Act 1978 (c. 30).

(b) “ITEPA 2003” is defined in section 113 of the Finance Act 2020 as the Income Tax (Earnings and Pensions) Act 2003 (c. 1). Chapter 5 of Part 10 has been relevantly amended by paragraph 9 of Schedule 17 and Part 2 of Schedule 42 to the Finance Act 2004 (c. 12); paragraph 24 of Schedule 3 to the Welfare Reform Act 2007 (c. 5); section 46 of the Finance Act 2008 (c. 9); section 138 of the Health and Social Care Act 2008 (c. 14); paragraph 49 of Schedule 9 to the Welfare Reform Act 2012 (c. 5); section 13 of the Finance Act 2013 (c. 29); paragraph 48 of Schedule 16 to the Pensions Act 2014 (c. 19); paragraph 47 of Schedule 16 to the Pensions Act (Northern Ireland) 2015 (c. 5); section 16 of the Finance Act 2015 (c. 11); section 12 of the Finance Act 2019 (c. 1); and section 12 of the Finance Act 2020 (c. 14); and by S.I. 2014/606, 2015/2006, 2017/338, 2021/1341, 2022/529, 2023/148 and 2024/287.

(c) The eligibility rules for pension age disability payment are set out in The Disability Assistance for Older People (Scotland) Regulations 2024 (S.S.I. 2024/166), which come into force on 21st October 2024.

(d) This abbreviation is defined, in the table in Part 1 (abbreviations of Acts and Instruments) of Schedule 1 to ITEPA, as Social Security (Scotland) Act 2018 (2018 asp 9).

4th September 2024

Jeff Smith
Taiwo Owatemi
Two of the Lords Commissioners of His Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make an amendment to Chapter 5 of Part 10 of the Income Tax (Earnings and Pensions) Act 2003 (c. 1) (“ITEPA”), so as to provide that no liability to income tax arises on social security benefits of a description specified in the Regulations.

Regulation 1 provides for citation and commencement.

Regulation 2 amends section 677 of ITEPA by inserting a new row into Part 1 of Table B in that provision, in order to wholly exempt Pension Age Disability Payments paid by the Scottish Minister from income tax.

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

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