

2005 No.

INCOME TAX

**The Armed Forces and Reserve Forces (Compensation Scheme)
(Excluded Benefits for Tax Purposes) Regulations 2005**

<i>Made</i>	- - - -	<i>2005</i>
<i>Laid before the House of Commons</i>		<i>2005</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(a), and now exercisable by them(b), 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 2005 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(c) 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).

*A. Commissioner
A.N. Other*

May 2005

Two of the Commissioners for Her Majesty's Revenue and Customs

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) 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 Section 393B was inserted, by way of substitution for section 393 as originally enacted, by section 249 of the Finance Act 2004 (c. 12).
(b) 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.
(c) S.I. 2005/439.

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 or (for hard copies) by writing to the Ministerial Correspondence Unit, 1st Floor Ferrers House, PO Box 38, Castle Meadow Road, Nottingham, NG2 1BB.