STATUTORY INSTRUMENTS

2020 No. 615

INCOME TAX

The Coronavirus Life Assurance Scheme (English and Welsh Schemes) (Excluded Benefits for Tax Purposes) Regulations 2020

Made - - - -	*19th June 2020*
Laid before the House of Commons	*22nd June 2020*
Coming into force - -	*13th July 2020*

The Commissioners for Her Majesty's Revenue and Customs, in exercise of the powers conferred by section 393B(3)(d) and (4A) of the Income Tax (Earnings and Pensions) Act 2003(**a**), and now exercisable by them(**b**), make the following Regulations:

Citation commencement and effect

1.—(1) These Regulations may be cited as the Coronavirus Life Assurance Scheme (English and Welsh Schemes) (Excluded Benefits for Tax Purposes) Regulations 2020 and shall come into force on 13th July 2020.

(2) Regulation 2 has effect for the tax year 2020–21 and subsequent tax years.

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

2. A lump sum 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) where it is paid pursuant to either of the following—

(a) the National Health Service and Social Care Coronavirus Life Assurance (England) Scheme 2020(**c**); or

(b) the National Health Service and Social Care Coronavirus Life Assurance (Wales) Scheme 2020(**d**).

(**a**) 2003 c. 1. Section 393B was inserted, by way of substitution for section 393 as originally enacted, by section 249(3) of the Finance Act 2004 (c. 12). Subsection (4A) was inserted by paragraph 21 of Schedule 20 to the Finance Act 2007 (c. 11).

(**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).

(**c**) This scheme was established on 20th May 2020 and is available on the website of the NHS Business Services Authority at https://www.nhsbsa.nhs.uk/sites/default/files/2020-05/NHSandSocialCareCLAS2020_SchemeRulesEngland.pdf. Hard copies of the scheme are available on request from the Department of Health and Social Care, Area 2NE, Quarry House, Quarry Hill, Leeds LS2 7UE.

(**d**) This scheme was established on 17th June 2020 and the rules of the scheme will be available on the website of the NHS Business Services Authority at https://www.nhsbsa.nhs.uk/. Hard copies are available on request from the Department for Health and Social Services, Welsh Government, Cathays Park, Cardiff, CF10 3NQ.

Angela MacDonald
Penny Ciniewicz

19th June 2020 Two of Her Majesty's Commissioners for Revenue and Customs

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations apply to a lump sum payment of £60,000 which is paid pursuant to either the National Health Service and Social Care Coronavirus Life Assurance (England) Scheme 2020 or the National Health Service and Social Care Coronavirus Life Assurance (Wales) Scheme 2020. The Regulations provide that the lump sum shall be exempted from the charge to tax on employer-financed benefits under section 394 of the Income Tax (Earnings and Pensions) Act 2003 (c. 1). The lump sum payment is an excluded benefit under section 393B(3)(d) of that Act and hence not a relevant benefit for the purposes of Chapter 2 of Part 6 of that Act.

Regulation 2 has retrospective effect so that the tax exemption it provides applies in relation to any payments made in the tax year 2020-21 or subsequent tax years.

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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