



# Finance Act 2012

## 2012 CHAPTER 14

### PART 1

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER 2

#### INCOME TAX: GENERAL

#### *Reliefs*

#### **16 Employment income exemptions: armed forces**

- (1) Chapter 8 of Part 4 of ITEPA 2003 (exemptions: special kinds of employees) is amended as follows.
- (2) In section 297A (exemption for Operational Allowance), in subsection (2), for “by the Secretary of State” substitute “under a Royal Warrant made under section 333 of the Armed Forces Act 2006”.
- (3) In section 297B (exemption for Council Tax Relief), in subsection (2), for “by the Secretary of State” substitute “under a Royal Warrant made under section 333 of the Armed Forces Act 2006”.
- (4) After that section insert—

#### **“297C Armed forces: Continuity of Education Allowance**

- (1) No liability to income tax arises in respect of payments of the Continuity of Education Allowance to or in respect of members of the armed forces of the Crown during their employment under the Crown or after their deaths.

---

*Status: This is the original version (as it was originally enacted).*

---

- (2) The Continuity of Education Allowance is an allowance designated as such under a Royal Warrant made under section 333 of the Armed Forces Act 2006.”
- (5) The amendments made by this section have effect in relation to payments made on or after 6 April 2012.