

Relief for contributions to permanent health benefit schemes. FA79 s8(1), (2)(a) and (3) 471.—(1) In this section—

“benefit” and “permanent health benefit scheme” have the same meanings respectively as in section 125;

“contribution”, in relation to a permanent health benefit scheme, means any premium paid or other periodic payment made to the scheme in consideration of the right to benefit under it, being a premium or payment which bears a reasonable relationship to the benefits secured by it.

(2) Where an individual for a year of assessment proves that in that year of assessment he or she made a contribution or contributions to a bona fide permanent health benefit scheme or schemes, the individual shall be entitled, for the purpose of ascertaining the amount of the income on which he or she is to be charged to income tax, to have a deduction of so much of the contributions as does not exceed 10 per cent of his or her total income for that year of assessment made from his or her total income.

(3) In a case where the amount of a contribution made by an employer to a permanent health benefit scheme is charged to income tax under Chapter 3 of Part 5 as a perquisite of the office or employment of a director or employee, that amount shall be deemed for the purposes of subsection (2) to be a contribution made by the director or employee to the scheme in the year in respect of which it is so charged to income tax.