

[42.4.18] PAYE

Employees on leave of absence, special leave, career break Income Tax (Employments) (Consolidated) Regulations 2001

Reviewed September 2015

1. Where an employee is “absent from work” because of leave of absence, or a career break has been taken with the agreement of the employer and the employee is not prohibited from taking up a new employment elsewhere during the period of absence, the commencement of the period of absence should be regarded as a cessation of employment and the P45 procedure followed (Regulation 20 of the Income Tax (Employments) (Consolidated) Regulations 2001 refers).
2. Regulation 26(2) of the Income Tax (Employments) (Consolidated) Regulations 2001 (Repayment during sickness and unemployment) may be applied where an employee takes leave of absence, without pay, to care for a sick relative, provided the employer is satisfied that the employee is not gainfully employed.