
Changes to legislation: There are currently no known outstanding effects for the Finance Act 1989, Cross Heading: Trustees' functions. (See end of Document for details)

SCHEDULES

SCHEDULE 5

EMPLOYEE SHARE OWNERSHIP TRUSTS

Modifications etc. (not altering text)

- C1** Sch. 5 applied (6.3.1992 with effect as mentioned in s. 289(1)(2) of the applying Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 228(7), 235(8), 289 (with ss. 60, 101(1), 171, 201(3))

Trustees' functions

- 5 (1) The trust deed must contain provision as to the functions of the trustees.
- (2) The functions of the trustees must be so expressed that it is apparent that their general functions are—
- (a) to receive sums from the founding company and other sums (by way of loan or otherwise);
 - (b) to acquire securities;
 - (c) to transfer securities or sums (or both) to persons who are beneficiaries under the terms of the trust deed;
 - [^{F1}(cc) to grant rights to acquire shares to persons who are beneficiaries under the terms of the trust deed;]
 - (d) to transfer securities to the trustees of profit sharing schemes approved under Schedule 9 to the Taxes Act 1988, for a price not less than the price the securities might reasonably be expected to fetch on a sale in the open market;
 - (e) pending transfer, to retain the securities and to manage them (whether by exercising voting rights or otherwise).

Textual Amendments

- F1** Sch. 5 para. 5(2)(cc) inserted (29.4.1996 with effect in relation to trusts established on or after 29.4.1996) by 1996 c. 8, s. 120(8)(12)

Modifications etc. (not altering text)

- C1** See Finance Act 1990 (c. 29) ss. 31–40—roll-over relief for disposal of shares to employee share ownership trusts

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1989, Cross Heading: Trustees' functions.