



# Finance Act 1997

## 1997 CHAPTER 16

### PART V

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

##### *Schedule E*

#### **61 Phasing out of relief for profit-related pay**

- (1) Chapter III of Part V of the Taxes Act 1988 (profit-related pay) shall have effect as if, in section 171(4) (£4,000 limit on relief for profit period of twelve months), for “£4,000” there were substituted—
  - (a) in relation to profit-related pay paid by reference to profit periods beginning on or after 1st January 1998 and before 1st January 1999, “£2,000”; and
  - (b) in relation to profit-related pay paid by reference to profit periods beginning on or after 1st January 1999 and before 1st January 2000, “£1,000”.
- (2) That Chapter shall not have effect in relation to any payment made by reference to a profit period beginning on or after 1st January 2000.
- (3) Accordingly—
  - (a) a scheme shall not be registered under that Chapter if the only payments for which it provides are payments by reference to profit periods beginning on or after 1st January 2000; and
  - (b) registration under that Chapter shall end on 31st December 2000.