



# Finance (No. 2) Act 1997

## 1997 CHAPTER 58

### PART I

#### THE WINDFALL TAX

#### **4 The windfall tax and profit-related pay.**

- (1) In paragraph 19 of Schedule 8 to the Taxes Act 1988 (ascertainment of profits for the purposes of profit-related pay schemes)—
  - (a) in sub-paragraph (5)(b), after “1985” there shall be inserted “ or section 3(3) of the Finance (No. 2) Act 1997 ”; and
  - (b) after paragraph (ff) of sub-paragraph (6) there shall be inserted the following paragraph—
    - “(fg) windfall tax charged under Part I of the Finance (No. 2) Act 1997;”.
- (2) Subsection (1) above has effect in relation to the preparation, for the purposes of any scheme, of a profit and loss account for any period ending on or after 2nd July 1997.
- (3) Subsection (1) above shall not have effect in relation to an existing scheme unless, before the end of the period of six months beginning with the day on which this Act is passed, the scheme is altered, with effect for all periods ending on or after 2nd July 1997, to take account of that subsection.
- (4) Provision made, in compliance with paragraph 20(1) of Schedule 8 to the Taxes Act 1988 (consistency in preparation of accounts), by any existing scheme that is altered to take account of subsection (1) above shall not prevent a profit and loss account from being prepared in accordance with the alteration.
- (5) An alteration of an existing scheme to take account of subsection (1) above shall be treated as being within section 177B of the Taxes Act 1988 (alterations which are registrable and which, when registered, cannot give rise to the Board’s power of cancellation).

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*Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 1997, Section 4. (See end of Document for details)*

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- (6) In this section “existing scheme” means a scheme which at any time in the period beginning with 2nd July 1997 and ending immediately before the day on which this Act is passed was a registered scheme under Chapter III of Part V of the Taxes Act 1988.
- (7) The preceding provisions of this section shall cease to have effect, in accordance with the notes to Part VI(3) of Schedule 18 to the <sup>M1</sup>Finance Act 1997, as if they were included in the repeal of Schedule 8 to the Taxes Act 1988.

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**Marginal Citations**

**M1** 1997 c. 16.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance (No. 2) Act 1997, Section 4.