
Status: Point in time view as at 28/07/2000.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2000, Part I. (See end of Document for details)

SCHEDULES

SCHEDULE 8

EMPLOYEE SHARE OWNERSHIP PLANS

PART I

INTRODUCTORY

Employee share ownership plans

- 1 (1) In this Schedule an “employee share ownership plan” means a plan established by a company providing—
- (a) for shares (“free shares”) to be appropriated to employees without payment, or
 - (b) for shares (“partnership shares”) to be acquired on behalf of employees out of sums deducted from their salary.
- (2) A plan that provides for partnership shares may also provide for shares (“matching shares”) to be appropriated without payment to employees in proportion to the partnership shares acquired by them.
- (3) Where a plan contains provision for all, or more than one, of the kinds of shares mentioned in sub-paragraphs (1) and (2), it may leave it for the company to decide when the provisions relating to each kind of share are to have effect.
- (4) In this Schedule, in relation to an employee share ownership plan “the company” means the company which established the plan.

Group plans

- 2 (1) An employee share ownership plan established by a company that controls other companies (a “parent company”) may extend to all or any of those other companies.
- In this Schedule a plan established by a parent company which so extends is referred to as a “group plan”.
- (2) In relation to a group plan a “participating company” means the parent company or any other company to which for the time being the plan is expressed to extend.

Status: Point in time view as at 28/07/2000.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2000, Part I. (See end of Document for details)

Meaning of “award of share”s, “participan”t etc.

- 3
- (1) For the purposes of this Schedule an award of shares is made under a plan on each occasion when in accordance with the plan—
 - (a) matching or free shares are appropriated to employees, or
 - (b) partnership shares are acquired on behalf of employees.
 - (2) For the purposes of this Schedule an individual participates in an award of free, matching or partnership shares under the plan if shares (“the individual award”) included in that award are—
 - (a) in the case of an award of free or matching shares, appropriated to him, or
 - (b) in the case of an award of partnership shares, acquired on his behalf,
 and references to shares awarded to an individual are to free or matching shares appropriated to him, or partnership shares acquired on his behalf, under the plan.
 - (3) In this Schedule “participant”, in relation to a plan, means an individual to whom shares have been awarded under the plan.

Application for approval

- 4
- (1) Where an employee share ownership plan has been established, on the application of the company the Inland Revenue shall approve the plan if they are satisfied that it meets the requirements of this Schedule.
 - (2) An application for approval must contain such particulars and be supported by such evidence as the Inland Revenue may require.

Appeal against refusal of approval

- 5
- (1) If the Inland Revenue refuse to approve the plan, the company may appeal to the Special Commissioners.
 - (2) Notice of appeal must be given to the Inland Revenue within 30 days after their decision was notified to the company.
 - (3) If the Special Commissioners allow the appeal they may direct the Inland Revenue to approve the plan with effect from such date (but not earlier than the application for approval) as the Commissioners may specify.

Status:

Point in time view as at 28/07/2000.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2000, Part I.