



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 7

[^{F1}EMPLOYMENT INCOME: INCOME AND EXEMPTIONS RELATING TO SECURITIES]

[^{F1}CHAPTER 3

CONVERTIBLE SECURITIES

[^{F1}Introduction

Textual Amendments

- F1** Pt. 7 Ch. 3 substituted (1.9.2003 with effect in accordance with Sch. 22 para. 4(2) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), [Sch. 22 para. 4\(1\)](#); S.I. 2003/1997, art. 2

435 Application of this Chapter

This Chapter applies to employment-related securities if they are—

- (a) convertible securities, or
 - (b) an interest in convertible securities,
- at the time of the acquisition.

436 “Convertible securities”

For the purposes of this Chapter securities are convertible securities if—

Changes to legislation: *There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Cross Heading: Introduction. (See end of Document for details)*

- (a) they confer on the holder an [^{F2}entitlement (whether immediate or deferred and whether conditional or unconditional)] to convert them into securities of a different description,
- (b) a contract, agreement, arrangement or condition authorises or requires the grant of such an entitlement to the holder if certain circumstances arise, or do not arise, or
- (c) a contract, agreement, arrangement or condition makes provision for the conversion of the securities (otherwise than by the holder) into securities of a different description.]

Textual Amendments

F2 Words in s. 436(a) substituted (with effect in accordance with Sch. 2 para. 9(4) of the amending Act) by Finance (No. 2) Act 2005 (c. 22), **Sch. 2 para. 9(1)**

Changes to legislation:

There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Cross Heading: Introduction.