

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

SCHEDULES

SCHEDULE 7

TRANSITIONALS AND SAVINGS

PART 7

EMPLOYMENT INCOME: [F¹INCOME RELATED TO SECURITIES]

Textual Amendments

F1 Words in Sch. 7 Pt. 7 heading substituted (10.7.2003) by [Finance Act 2003 \(c. 14\), Sch. 22 para. 46\(4\)](#)

Approved share incentive plans

- 68 (1) This paragraph applies where, immediately before 6th April 2003, an employee share ownership plan was approved under Schedule 8 to FA 2000 (employee share ownership plans).
- (2) On and after that date the plan is to be treated as a share incentive plan (or “SIP”) approved by [F¹an officer of Revenue and Customs] under Schedule 2 to this Act.
- (3) Sub-paragraph (2) has effect even if the provisions of the plan do not wholly conform with the provisions of Schedule 2 to this Act, but it has effect without prejudice to—
- (a) paragraphs 83 and 84 of that Schedule (withdrawal of approval),
 - (b) paragraphs 89 and 90 of that Schedule (termination of plan), and
 - (c) any alteration of the plan.
- (4) For the purposes of paragraph 84(1)(a) of Schedule 2, as it applies to the plan, nothing is to be regarded as a disqualifying event because of a contravention of any of the requirements of that Schedule if the requirement in question does not correspond to any of the requirements of Schedule 8 to FA 2000.
- (5) Nothing in this Act affects the validity of—
- (a) any provision of the plan which was included in it at any time before 6th April 2003 in accordance with the provisions of Schedule 8 to FA 2000 as then in force, or
 - (b) any award of shares under the plan which was made at any such time in accordance with the provisions of that Schedule as then in force.
- (6) In this paragraph—
- “award of shares” means the appropriation of shares to, or the acquisition of shares on behalf of, a person;
 - “employee share ownership plan” has the meaning given by paragraph 1(1) of Schedule 8 to FA 2000.

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Textual Amendments

F1 Words in Act substituted (18.4.2005) by [Commissioners for Revenue and Customs Act 2005 \(c. 11\), s. 53\(1\), Sch. 4 para. 102\(1\)](#); S.I. 2005/1126, art. 2(2)(h)

- 69 (1) Any reference in any enactment, instrument or document—
- (a) to an employee share ownership plan, or
 - (b) to an employee share ownership plan approved under Schedule 8 to FA 2000,
- is to be read as including, in relation to times after 5th April 2003, a reference to a share incentive plan or to a share incentive plan approved under Schedule 2 to this Act.
- (2) Any reference in any enactment, instrument or document—
- (a) to a share incentive plan (or SIP), or
 - (b) to a share incentive plan (or SIP) approved under Schedule 2 to this Act,
- is to be read as including, in relation to times before 6th April 2003, a reference to an employee share ownership plan or to an employee share ownership plan approved under Schedule 8 to FA 2000.
- (3) Accordingly any reference in the SIP code to shares awarded under an approved SIP is to be read as including, in relation to times before 6th April 2003, a reference to shares awarded under a plan approved under Schedule 8 to FA 2000.
- (4) Any reference in a plan within paragraph 68(1) to a person chargeable to tax under Case I of Schedule E is to be read as including, in relation to times after 5th April 2003, a reference to a person whose earnings fall within paragraph 8(2) of Schedule 2 to this Act.
- (5) This paragraph—
- (a) is without prejudice to Part 1 of this Schedule, and
 - (b) applies only in so far as the context permits.
- (6) In this paragraph—
- “awarded” means appropriated to, or acquired on behalf of, a person;
- “employee share ownership plan” has the same meaning as in paragraph 68.
- 70 Nothing in paragraph 91(4) of Schedule 2 to this Act (jointly owned companies) prevents a company being a constituent company in a group plan (within the meaning of that Schedule) if it was a participating company in that plan (within the meaning of Schedule 8 to FA 2000) immediately before 24th July 2002.

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