

SCHEDULES

SCHEDULE 22

EMPLOYEE SECURITIES AND OPTIONS

Consequential amendments

- 46 (1) Schedule 7 (transitionals and savings) is amended as follows.
- (2) Omit paragraphs 30 and 31.
- (3) In the heading of Part 6, for “share-related” substitute “related to securities”.
- (4) In the heading of Part 7, for “share-related income” substitute “income related to securities”.
- (5) Before paragraph 44 insert—

“Pre-6th April 2003 acquisitions

- 43A (1) This paragraph relates to the operation of section 421E (exclusions from Chapters 2 to 4 of Part 7: residence) in relation to an acquisition made before 6th April 2003.
- (2) Section 421E(1) has effect with the substitution of “the employee was not chargeable under Case I of Schedule E in respect of the employment” for the words from “the earnings”.
- (3) Section 421E(2) has effect with the substitution of “the emoluments of the employment did not fall to be charged to income tax under Schedule E” for the words from “the earnings”.
- (6) In paragraph 44, after “Part 7” insert “, as originally enacted.”.
- (7) In paragraph 45(1), at end insert “, as originally enacted.”.
- (8) In paragraph 46(1), after “disposal” insert “, as originally enacted.”.
- (9) Omit paragraphs 47 and 48.
- (10) In paragraph 49, for “shares” substitute “securities”.
- (11) Omit paragraphs 50 to 52.
- (12) Omit paragraph 53.
- (13) In paragraph 54, after “Part 7” insert “, both as originally enacted and as substituted by the Finance Act 2003.”.
- (14) In paragraph 55—
- (a) after “Part 7” insert “, as originally enacted.”, and

Status: This is the original version (as it was originally enacted).

- (b) omit sub-paragraph (2)(a).
- (15) In paragraph 56, after “section 449” insert “, as originally enacted.”.
- (16) In paragraph 58(1), at end insert “, as originally enacted.”
- (17) Omit paragraph 59.
- (18) Omit paragraphs 60 and 61.
- (19) After paragraph 61 insert—
 - “*Securities disposed of for more than market value*
 - 61A Chapter 3D of Part 7 does not apply in relation to securities, or an interest in securities, acquired on or before 6th April 1976.”.
- (20) Omit paragraph 62.
- (21) For paragraph 63 substitute—
 - “63 (1) This paragraph relates to the operation of section 474 (exclusions from Chapter 5 of Part 7: residence) in relation to an acquisition made before 6th April 2003.
 - (2) Section 474(1) has effect with the substitution of “the employee was not chargeable under Case I of Schedule E in respect of the employment” for the words from “the earnings”.”.
- (22) In paragraph 64—
 - (a) for “share” (in both places) substitute “securities”,
 - (b) for “obtained” substitute “acquired”, and
 - (c) for “receipt” substitute “acquisition”.
- (23) In paragraph 65—
 - (a) in sub-paragraph (1), for “479 (amount of gain realised by exercising option) in relation to a share option obtained” substitute “478 in relation to an event that is a chargeable event by virtue of section 477(3)(a) or (b) (acquisition of securities pursuant to an option and assignment and release of option) in the case of a share option acquired”, and
 - (b) in sub-paragraph (2), for “479(1)” substitute “478(1)” and for “cost” substitute “amount”.
- (24) Omit paragraph 66.
- (25) Omit paragraph 67.
- (26) In this paragraph—
 - (a) sub-paragraphs (2) and (19) have effect in relation to securities, and interests in securities, disposed of on or after 16th April 2003,
 - (b) sub-paragraphs (5) and (13) to (17) have effect on and after 16th April 2003,
 - (c) sub-paragraphs (6) to (8), (10), (11), (20), (23) and (24) have effect on the day appointed under paragraph 3(2), and
 - (d) sub-paragraphs (21) and (22) have effect in accordance with the provision made for the substitution of Chapter 5 of Part 7.