

FINANCE ACT 2013

EXPLANATORY NOTES

INTRODUCTION

Section 55, Schedule 23: Employee Shareholder Shares

Details of the Schedule

Part 2: Capital Gains Tax exemption for employee shareholder shares

New section 236E of TCGA: Identification of exempt employee shareholder shares

45. New subsection (1) disappplies the share pooling and share identification rules in TCGA, which would normally apply both to exempt employee shareholder shares and to non-exempt employee shareholder shares taken together.
46. New subsections (2) and (3) permit a person who holds both exempt and non-exempt employee shareholder shares of the same class in a company, and who disposes of shares of that class to specify how many exempt shares they have sold (up to number they held).
47. New subsection (4) defines what is meant by shares in a company being 'of the same class' for the purposes of this section.