



Finance Act 1959

1959 CHAPTER 58

PART V

MISCELLANEOUS

33 Profits tax: increase of limits on deductions for directors' remuneration

- (1) Paragraph 11 of the Fourth Schedule to the Finance Act, 1937 (which, as set out in section thirty-four of the Finance Act, 1952, limits the deduction which may be made for the purposes of the profits tax in respect of the remuneration of full-time working directors of director-controlled companies) shall have effect with the substitution for any reference to two thousand five hundred pounds of a reference to three thousand pounds, for any reference to four thousand pounds of a reference to five thousand pounds, for any reference to five thousand five hundred pounds of a reference to seven thousand pounds, for any reference to seven thousand pounds of a reference to nine thousand pounds, and for any reference to one thousand five hundred pounds of a reference to two thousand pounds.

- (2) The foregoing subsection shall apply to chargeable accounting periods ending after the beginning of April, nineteen hundred and fifty-nine:

Provided that in the case of a period beginning before that time the maximum deduction to be allowed in respect of the remuneration of directors other than whole-time service directors shall be the aggregate of the following amounts, that is to say—

- (a) the amount which would have been the maximum if this section had not had effect, reduced in the proportion which so much of the period as elapsed before that time bears to the whole ;
- (b) the amount which would have been the maximum apart from this proviso, reduced in the proportion which the remainder of the period bears to the whole.