
*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 1989, Paragraph 12A. (See end of Document for details)*

SCHEDULES

SCHEDULE 5

EMPLOYEE SHARE OWNERSHIP TRUSTS

Modifications etc. (not altering text)

- C1** Sch. 5 applied (6.3.1992 with effect as mentioned in s. 289(1)(2) of the applying Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), [ss. 228\(7\)](#), [235\(8\)](#), [289](#) (with [ss. 60](#), [101\(1\)](#), [171](#), [201\(3\)](#))

Position after trust's establishment

- [^{F1}12A(1) Subject to sub-paragraphs (2) and (3) below, a trust which was at the time it was established a qualifying employee share ownership trust shall continue to be one.
- (2) If the trust deed makes provision under paragraph 3A(a) above, the trust shall not be a qualifying employee share ownership trust at any time when the requirements mentioned in paragraph 3(3)(a) to (f) above are not satisfied.
- (3) If the trust deed makes provision under paragraph 3A(b) above, the trust shall not be a qualifying employee share ownership trust at any time when the conditions mentioned in paragraph 3B(4)(a) to (e) above are not satisfied.
- (4) If the trust deed makes provision under paragraph 3A(c) above, the trust shall not be a qualifying employee share ownership trust at any time when—
- (a) there is not a single trustee,
 - (b) the trustee is not a company which is resident in the United Kingdom and controlled by the founding company, or
 - (c) the conditions mentioned in paragraph 3C(4)(a) to (e) above are not satisfied as regards the directors of the trustee.
- (5) This paragraph applies in relation to trusts established after the day on which the Finance Act 1994 was passed.]

Textual Amendments

- F1** Sch. 5 para. 12A inserted (3.5.1994) by [1994 c. 9](#), s. 102, [Sch. 13 para. 5](#)

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