

Status: Point in time view as at 06/04/2003.

Changes to legislation: Income Tax (Earnings and Pensions) Act 2003, Paragraph 20 is up to date with all changes known to be in force on or before 20 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

SCHEDULES

SCHEDULE 2

APPROVED SHARE INCENTIVE PLANS

PART 3

ELIGIBILITY OF INDIVIDUALS

Meaning of “material interest”

- 20 (1) In paragraph 19 (the “no material interest” requirement) references to a “material interest” in a company are to—
- (a) a material interest in the share capital of the company, or
 - (b) where it is a close company, a material interest in its assets.
- (2) A material interest in the share capital of a company means—
- (a) beneficial ownership of, or
 - (b) the ability to control (directly or through the medium of other companies or by any other indirect means),
- more than 25% of the ordinary share capital of the company.
- (3) A material interest in the assets of a close company means—
- (a) possession of, or
 - (b) an entitlement to acquire,
- such rights as would, in the event of the winding up of the company or in any other circumstances, give an entitlement to receive more than 25% of the assets that would then be available for distribution among the participators.
- (4) In this paragraph—
- “close company” includes a company that would be a close company but for—
 - (a) section 414(1)(a) of ICTA (exclusion of companies not resident in the United Kingdom), or
 - (b) section 415 of ICTA (exclusion of certain quoted companies), and“participator” has the meaning given by section 417(1) of ICTA.
- (5) This paragraph is supplemented by paragraph 21 (material interest: options and interests in SIPs).

Status:

Point in time view as at 06/04/2003.

Changes to legislation:

Income Tax (Earnings and Pensions) Act 2003, Paragraph 20 is up to date with all changes known to be in force on or before 20 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.