
STATUTORY INSTRUMENTS

2021 No. 190

**The Scottish Rates of Income Tax
(Consequential Amendments) Order 2021**

Amendment to the Finance (No.2) Act 2005

2. In section 7(5A)(c) of the Finance (No. 2) Act 2005⁽¹⁾ (charge to income tax on lump sum) for the words after “that tax year that” substitute “would be applicable to an amount of income that is equal to P’s Step 3 income⁽²⁾ for that year if such amount were wholly chargeable to income tax at Scottish rates”.

(1) [2005 c.22](#). Subsection (5A) was inserted by regulation 9 of [S.I. 2017/468](#) and paragraph (c) was amended by article 5 of [S.I. 2018/459](#).

(2) “Step 3 income” is defined in s7(9) of the Finance (No. 2) Act 2005 by reference to the calculation of income tax liability in section 23 of the Income Tax Act [2007 \(c. 3\)](#).