

## SCHEDULES

### SCHEDULE 8

#### EMPLOYEE SHARE OWNERSHIP PLANS

#### PART XII

#### CORPORATION TAX DEDUCTIONS

*Deductions for contributions to running expenses of plan*

- 112 (1) Nothing in this Part of this Schedule affects any deduction for expenses incurred by a company in contributing to the expenses of the trustees in operating an approved employee share ownership plan.
- (2) For this purpose the expenses of the trustees in operating the plan—
- (a) do not include expenses in acquiring shares for the purposes of the trust, other than incidental acquisition costs, but
  - (b) do include the payment of interest on money borrowed by them for that purpose.
- (3) In sub-paragraph (2)(a) “incidental acquisition costs” means any fees, commission, stamp duty and similar incidental costs attributable to the acquisition of the shares.