

Changes to legislation: Income Tax (Earnings and Pensions) Act 2003, Paragraph 210 is up to date with all changes known to be in force on or before 09 July 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) View outstanding changes

SCHEDULES

SCHEDULE 6 **U.K.**

CONSEQUENTIAL AMENDMENTS

PART 2 **U.K.**

OTHER ENACTMENTS

Taxation of Chargeable Gains Act 1992 (c. 12)

- 210 (1) Amend section 120 (increased expenditure by reference to tax charged in relation to shares etc.) as follows.
- (2) For subsection (1) substitute—
- “(1) Subsection (1A) applies where—
- (a) a person (“the employee”) has acquired shares or an interest in shares as mentioned in section 447(1) of ITEPA 2003, and
 - (b) an amount counts as employment income of the employee under Chapter 4 of Part 7 of that Act in respect of the shares.
- (1A) On the first disposal of the shares after the acquisition occurs, the employment income amount shall be treated for the purposes of section 38(1)
- (a) as consideration given by the person making the disposal for the acquisition of the shares.
- (1B) For the purposes of subsections (1) and (1A)—
- (a) the “employment income amount” means the amount counting as employment income of the employee under that Chapter in respect of the shares, and
 - (b) it is immaterial whether the disposal of the shares mentioned in subsection (1A) is made by the employee or another person.”
- (3) In subsection (3)—
- (a) for “is chargeable to tax by virtue of section 162(5) of the Taxes Act” substitute “is treated as earnings under section 195(2) of ITEPA 2003”, and
 - (b) for “so chargeable” substitute “so treated as earnings”.
- (4) In subsection (4)—
- (a) for “chargeable to tax under section 135(1) or (6) of the Taxes Act” substitute “counting as employment income under section 476 or 477 of ITEPA 2003”, and
 - (b) for “so chargeable to tax” substitute “so counting as employment income”.
- (5) In subsection (5A)—

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- (a) for “is chargeable to tax under section 140A of the Taxes Act” substitute “counts as employment income under Chapter 2 of Part 7 of ITEPA 2003”, and
- (b) for “so chargeable” substitute “so counting as employment income”.
- (6) In subsection (5B)—
- (a) for “is chargeable to tax under section 140D of the Taxes Act” substitute “counts as employment income under Chapter 3 of Part 7 of ITEPA 2003”, and
- (b) for “so chargeable” substitute “so counting as employment income”.
- (7) Omit subsection (6).
- (8) For subsection (7) substitute—

“(7) Each of the provisions of this section mentioned in the first column of the following table is to be construed as if it were contained in the Chapter of ITEPA 2003 specified in the corresponding entry in the second column—

<i>Provision of this section</i>	<i>Chapter of ITEPA 2003</i>
subsections (1), (1A) and (1B)	Chapter 4 of Part 7
subsection (3)	Chapter 8 of Part 3
subsection (4)	Chapter 5 of Part 7
subsection (5A)	Chapter 2 of Part 7
subsection (5B)	Chapter 3 of Part 7;

and subsection (5) of this section is to be construed as one with section 138 of the Taxes Act.”

- (9) After subsection (7) insert—

“(7A) In relation to events that gave rise to amounts chargeable to income tax before 6th April 2003, this section is to be read as if any reference to an amount mentioned in the first column of the following table included a reference to an amount mentioned in the corresponding entry in the second column—

<i>Amount mentioned in this section</i>	<i>Amount chargeable before 6th April 2003</i>
an amount counting as employment income under Chapter 4 of Part 7 of ITEPA 2003	an amount chargeable to tax under Chapter 2 of Part 3 of the Finance Act 1988
an amount treated as earnings under section 195(2) of ITEPA 2003	an amount chargeable to tax under section 162(5) of the Taxes Act
an amount counting as employment income under section 476 or 477 of ITEPA 2003	an amount chargeable to tax under section 135(1) or (6) of the Taxes Act

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an amount which counts as employment income under Chapter 2 of Part 7 of ITEPA 2003	an amount chargeable to tax under section 140A of the Taxes Act
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an amount which counts as employment income under Chapter 3 of Part 7 of ITEPA 2003	an amount chargeable to tax under section 140D of the Taxes Act.”
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- (10) In subsection (8) for “section 140A of the Taxes Act” substitute “ Chapter 2 of Part 7 of ITEPA 2003 ”.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 452(2)(aa) inserted by [2013 c. 29 Sch. 23 para. 11](#)
- s. 707A inserted by [2024 c. 3 s. 36\(4\)](#)