

---

*Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2005, Part 2. (See end of Document for details)*

---

## SCHEDULES

### SCHEDULE 5 **U.K.**

#### CHARGEABLE GAINS: OPTIONS

#### PART 2 **U.K.**

##### MISCELLANEOUS AMENDMENTS RELATING TO SHARE OPTIONS ETC

###### *Shares acquired on same day: election for alternative treatment*

- 3 (1) Section 105A of TCGA 1992 is amended as follows.
- (2) In subsection (1) (cases in which subsection (2) applies) in paragraph (b) (some of the acquired shares to be approved-scheme shares) for sub-paragraphs (i) and (ii) substitute—
- “(i) the exercise of a qualifying option within the meaning given by section 527(4) of ITEPA 2003 (enterprise management incentives) in circumstances where section 530 or 531 of that Act (exercise of option to acquire shares) applies, or
  - (ii) the exercise of an option to which Chapter 7 or 8 of Part 7 of that Act (approved share option schemes) applies in circumstances where section 519(1) or 524(1) of that Act applies.”.

###### *Employment-related securities options*

- 4 (1) Section 149A of TCGA 1992 is amended as follows.
- (2) In subsection (1) (cases in which the section applies) for paragraph (b) (option to consist of right to acquire shares in body corporate and to be obtained by individual by reason of his office or employment) substitute—
- “(b) the option is a securities option within the meaning of Chapter 5 of Part 7 of ITEPA 2003 (see section 420(8) of that Act) to which that Chapter applies or would, apart from section 474 of that Act, apply (see section 471 of that Act), and”.
- (3) In that subsection, in paragraph (c) (section 17(1) to apply for calculating consideration for grant of option) after “section 17(1)” insert “of this Act”.
- (4) The heading of the section accordingly becomes “Employment-related securities options”.

###### *Interpretation of TCGA 1992*

- 5 (1) Section 288 of TCGA 1992 is amended as follows.

---

*Changes to legislation: There are currently no known outstanding effects  
for the Finance (No. 2) Act 2005, Part 2. (See end of Document for details)*

---

- (2) In subsection (1A) (employment-related securities options) for the second sentence substitute— “ In this subsection “employment-related securities option” means a securities option within the meaning of Chapter 5 of Part 7 of ITEPA 2003 (see section 420(8) of that Act) to which that Chapter applies or would, apart from section 474 of that Act, apply (see section 471 of that Act); and other expressions used in this subsection and that Chapter have the same meaning in this subsection as in that Chapter. ”.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance (No. 2) Act 2005, Part 2.