

*Status: Point in time view as at 17/07/2013.*

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2013, Paragraph 19. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 23 U.K.

#### EMPLOYEE SHAREHOLDER SHARES

#### PART 2 U.K.

##### CAPITAL GAINS TAX EXEMPTION FOR EMPLOYEE SHAREHOLDER SHARES

- 19 (1) Section 149AA (restricted and convertible employment-related securities) is amended as follows.
- (2) In subsection (1) for “Where” substitute “ Subject to subsection (1A), where ”.
- (3) After that subsection insert—
- “(1A) Where an individual has acquired an asset consisting of shares which, on acquisition, became employee shareholder shares—
- (a) the consideration for the acquisition is (subject to section 119A) to be taken to be equal to any amount that constituted earnings under Chapter 1 of Part 3 of ITEPA 2003 (earnings) or section 226A of that Act (employee shareholder shares), and
- (b) no other consideration is to be treated as having been given for the acquisition of the shares.”
- (4) In subsection (2)—
- (a) for “Subsection (1) above applies” substitute “ Subsections (1) and (1A) apply ”, and
- (b) for “is” substitute “ are ”.
- (5) After subsection (6) insert—
- “(6A) For the purposes of subsection (1A)—
- “employee shareholder share” has the meaning given in section 236B(3) (exemption for employee shareholder shares), and shares are “acquired” by an individual if the individual becomes beneficially entitled to them (and they are so acquired at the time when the individual becomes so entitled).”
- (6) In subsection (7)—
- (a) for “In subsection (1) the” substitute “ In subsections (1) and (1A) a ”, and
- (b) after “ITEPA 2003” insert “ or was treated as earnings under section 226A of that Act ”.
- (7) Accordingly, in the heading for that section, after “**securities**” insert “ **and employee shareholder shares** ”.

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