



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART V

PROVISIONS RELATING TO THE SCHEDULE E CHARGE

CHAPTER III

PROFIT-RELATED PAY

Preliminary

169 Interpretation.

^{M1}(1) In this Chapter—

“employment” means an office or employment whose emoluments fall to be assessed under Schedule E, and related expressions have corresponding meanings;

“employment unit” means an undertaking, or that part of an undertaking, to which a profit-related pay scheme relates;

“pay” (except in the expression “profit-related pay”) means emoluments paid under deduction of tax pursuant to section 203, reduced by any amounts included in them by virtue of Chapter II of Part V;

“profit period” means an accounting period by reference to which any profit-related pay is calculated;

“profit-related pay” means emoluments from an employment which are paid in accordance with a profit-related pay scheme;

“profit-related pay scheme” means a scheme providing for the payment of emoluments calculated by reference to profits;

“profits”, or “losses”, in relation to a profit period, means the amount shown in the account prepared for that period in accordance with the relevant profit-

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related pay scheme as the profit, or as the case may be the loss, on ordinary activities after taxation;

“registered scheme” means a profit-related pay scheme registered under this Chapter;

“scheme employer” means the person on whose application a profit-related pay scheme is or may be registered under this Chapter.

- (2) References in this Chapter to the employees to whom a profit-related pay scheme relates are references to the employees who will receive any payments of profit-related pay under the scheme.

Marginal Citations

M1 Source—1987 (No.2) s.1

170 Taxation of profit-related pay.

^{M2}Any charge to income tax on profit-related pay paid in accordance with a registered scheme shall be made for the year of assessment in which it is paid (rather than the period for which it is paid)^{F1}.

Textual Amendments

F1 Repealed by 1989 ss.42(4), 187 and Sch.17 Part IV for 1989-90 and subsequent years.

Marginal Citations

M2 Source—1987 (No.2) s.2

The relief

171 Relief from tax.

^{M3}(1) [^{F2}The whole] of any profit-related pay to which this section applies shall be exempt from income tax.

(2) This section applies to any profit-related pay paid to an employee by reference to a profit period and in accordance with a registered scheme, but only so far as it does not exceed the lower of the two limits specified in the following provisions of this section.

(3) The first of the limits referred to in subsection (2) above is one fifth of the aggregate of—

- (a) the pay (but not any profit-related pay) paid to the employee in the profit period in respect of his employment in the employment unit concerned (or, if the employee is eligible to receive profit-related pay by reference to part only of the period, so much of his pay, but not any profit-related pay, as is paid in that part); and
- (b) the profit-related pay paid to him by reference to that period in respect of that employment.

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- (4) The second of the limits referred to in subsection (2) above is [^{F3}£4,000] (or, if the profit period is less than 12 months, or the employee is eligible to receive profit-related pay by reference to part only of the profit period, a proportionately reduced amount).

Textual Amendments

- F2** Words in s. 171(1) substituted by Finance Act 1991 (c. 31, SIF 63:1), s. 37(1)(2)
F3 1989 s.61 and Sch.4 para 2 in relation to profit periods beginning on or after 1 April 1989. Previously “£3,000”.

Marginal Citations

- M3** Source—1987 (No.2) s.3

172 Exceptions from tax.

- ^{M4}(1) Profit-related pay shall not be exempt from income tax by virtue of section 171 if—
- it is paid to an employee in respect of his employment in an employment unit during a time when he also has another employment; and
 - he receives in respect of that other employment during that time profit-related pay which is exempt from income tax by virtue of that section.
- (2) Subject to subsection (3) below, profit-related pay in respect of which no secondary Class 1 contributions under Part I of the ^{M5}Social Security Act 1975 or Part I of the ^{M6}Social Security (Northern Ireland) Act 1975 are payable shall not be exempt from income tax by virtue of section 171.
- (3) Subsection (2) above shall not apply to profit-related pay in respect of which no Class 1 contributions are payable only because the employee’s earnings are below the lower earnings limit for such contributions.

Marginal Citations

- M4** Source—1987 (No.2) s.4
M5 1975 c. 14.
M6 1975 c. 15.

Registration

173 Persons who may apply for registration.

- ^{M7}(1) Where the emoluments of all the employees to whom a profit-related pay scheme relates are paid by the same person, an application to register the scheme under this Chapter may be made to the Board by that person.
- (2) Where subsection (1) above does not apply to a profit-related pay scheme, no application to register it may be made unless all the persons who pay emoluments to employees to whom the scheme relates are bodies corporate which are members of the same group; and in that case an application may be made by the parent company of the group.
- (3) In subsection (2) above—

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“group” means a body corporate and its 51 per cent. subsidiaries, and
“parent company” means that body corporate; and
in applying for the purposes of this section the definition of “51 per cent. subsidiary”
in section 838, any share capital of a registered industrial and provident society (within
the meaning of section 486) shall be treated as ordinary share capital.

Marginal Citations

M7 Source—1987 (No.2) s.5

174 Excluded employments.

- ^{M8}(1) No application may be made to register a scheme under this Chapter if any employment to which the scheme relates is—
- (a) employment in an office under the Crown or otherwise in the service of the Crown; or
 - (b) employment by an excluded employer.
- (2) For the purposes of this section “excluded employer” means—
- (a) a person in an employment within subsection (1) above;
 - (b) a body under the control of the Crown, or of one or more persons acting on behalf of the Crown;
 - (c) a local authority;
 - (d) a body under the control of one or more local authorities, or of the Crown (or one or more persons acting on behalf of the Crown) and one or more local authorities.
- (3) For the purposes of this section a person has control of a body only if one or more of the following conditions is satisfied—
- (a) in the case of a body whose affairs are managed by its members, he has the power to appoint more than half of the members;
 - (b) in the case of a body having a share capital, he holds more than half of its issued share capital;
 - (c) in the case of a body whose members vote in general meeting, he has the power to exercise more than half of the votes exercisable in general meeting;
 - (d) the articles of association or other rules regulating the body give him the power to secure that the affairs of the body are conducted in accordance with his wishes.
- (4) For the purposes of this section a person shall be taken to possess rights and powers possessed by—
- (a) a person appointed by him to an office by virtue of which the rights or powers are exercisable; or
 - (b) a body which he controls;
- including rights and powers which such an officer or body is taken to possess by virtue of this subsection.
- (5) Subsections (3) and (4) above apply with the necessary modifications for the purpose of determining whether persons together have control of a body.

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Marginal Citations

M8 Source—1987 (No.2) s.6

175 Applications for registration.

- ^{M9}(1) An application for the registration of a profit-related pay scheme under this Chapter—
- (a) shall be in such form as the Board may prescribe;
 - (b) shall contain a declaration by the applicant that the scheme complies with the requirements of Schedule 8;
 - (c) shall contain an undertaking by the applicant that the emoluments paid to any employee to whom the scheme relates and to whom minimum wage legislation applies will satisfy that legislation without taking account of profit-related pay;
 - (d) shall specify the profit period or periods to which the scheme relates;
 - (e) shall be supported by such information as the Board may require.
- (2) An application for the registration of a profit-related pay scheme under this Chapter shall be accompanied by a report by an independent accountant, in a form prescribed by the Board, to the effect that in his opinion—
- (a) the scheme complies with the requirements of Schedule 8;
 - (b) the books and records maintained and proposed to be maintained by the applicant are adequate for the purpose of enabling the documents required by section 180(1) to be produced.
- (3) *An application for the registration of a profit-related pay scheme under this Chapter shall be made within the period of six months ending immediately before the beginning of the profit period, or the first of the profit periods, to which the scheme relates^{F4}.*
- (4) In subsection (1) above “minimum wage legislation” means the provisions relating to remuneration in ^{F5} . . . ^{F6} . . . the ^{M10}Agricultural Wages Act 1948, the ^{M11}Agricultural Wages (Scotland) Act 1949 and the ^{M12}Agricultural Wages (Regulation) (Northern Ireland) Order 1977.

Textual Amendments

- F4** Repealed by 1989 ss.61 and 187 and Schs.4 para.10(2)(a), and 17 Part IV.
- F5** Words in s. 175(4) repealed (30.8.1993) by 1993 c. 19, s. 51, **Sch. 10**; S.I. 1993/1908, art. 2(2), **Sch. 1**
- F6** Words in s. 175(4) repealed (7.2.1994 except in so far as they relate to maternity rights or to the application of the No. 1 and No. 2 Orders to armed forces) by 1993/2668 (N.I. 11), art. 18(4), Sch.8; S.R. 1993/476, **art. 2**, Sch

Marginal Citations

- M9** Source—1987 (No.2) s.7
- M10** 1948 c. 47.
- M11** 1949 c. 30.
- M12** S.I. 1977/2151 (N.I. 22).

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176 Registration.

- ^{M13}(1) If an application for registration of a profit-related pay scheme under this Chapter is made more than three months (*but not more than six months*) ^{F7} before the beginning of the profit period, or the first of the profit periods, to which the scheme relates, then subject to subsection (2) below, the Board shall register the scheme before the beginning of that period.
- (2) If the Board are not satisfied that an application made as mentioned in subsection (1) above complies with the requirements of this Chapter, they may within 30 days after the day on which they receive the application—
- (a) refuse the application; or
 - (b) by notice to the applicant either require him to amend the application or require him to give them such further information as may be specified in the notice, and in either case to do so within such time, not exceeding 30 days after the day on which the notice is given, as may be so specified.
- (3) If a notice under subsection (2) above is complied with and the Board are satisfied that the application complies with the requirements of this Chapter, the Board shall register the scheme before the beginning of the profit period.
- (4) If a notice under subsection (2) above is complied with but the Board remain not satisfied that the application complies with the requirements of this Chapter, the Board shall refuse the application.
- (5) If a notice under subsection (2) above is not complied with but the Board are before the beginning of the profit period satisfied that the application complies with the requirements of this Chapter, the Board may register the scheme before the beginning of the period; but if they do not do so, the application shall be regarded as having been refused.
- (6) If an application for registration of a profit-related pay scheme under this Chapter is made within the period of three months before the beginning of the profit period, or the first of the profit periods, to which the scheme relates, then—
- (a) if before the beginning of the profit period the Board are satisfied that the application complies with the requirements of this Chapter, they shall register the scheme before the beginning of the period; but
 - (b) in any other case, the application shall be regarded as having been refused.
- (7) After registering a scheme under this Chapter, the Board shall by notice inform the applicant that they have done so.
- (8) The Board shall give notice to the applicant if they refuse his application under subsection (2) or (4) above.
- (9) For the purposes of this section an application does not comply with the requirements of this Chapter if the scheme to which it relates does not comply with the requirements of Schedule 8.

Textual Amendments

F7 *Repealed by 1989 ss.61 and 187 and Schs.4 para.10(2)(a), and 17 Part IV.*

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Marginal Citations

M13 Source—1987 (No.2) s.8

177 Change of scheme employer.

^{M14}(1) Where—

- (a) a scheme employer ceases to fulfil the conditions which section 173 requires to be fulfilled by an applicant for registration of the scheme; and
- (b) he is succeeded by a person who would be eligible to apply for registration to the scheme; and
- (c) there is otherwise no other material change in the employment unit or in the circumstances relating to the scheme;

the scheme employer and his successor may make a joint written application to the Board under this section for the amendment of the registration of the scheme.

(2) If on receiving an application under this section the Board are satisfied—

- (a) that the conditions in subsection (1)(a), (b) and (c) above are fulfilled; and
- (b) that, apart from the change of scheme employer, there would be no grounds for cancelling the registration of the scheme,

the Board shall amend the registration of the scheme by substituting the successor for the previous scheme employer.

(3) An application under this section shall be made before the end of the period of one month beginning with the date of the succession.

(4) Where the Board amend the registration of a scheme under this section, this Chapter shall (subject to any necessary modifications) have effect as if the successor had been the scheme employer throughout.

(5) The Board shall give notice to the applicants if they refuse an application under this section.

Marginal Citations

M14 Source—1987 (No.2) s.9

[^{F8}177A Death of scheme employer.

(1) Where a scheme employer has died, his personal representatives may make a written application to the Board under this section for the amendment of the registration of the scheme.

(2) If on receiving an application under this section the Board are satisfied that, apart from the death of the scheme employer, there would be no grounds for cancelling the registration of the scheme, the Board shall amend the registration of the scheme by substituting the personal representatives for the deceased scheme employer.

(3) An application under this section shall be made before the end of the period of one month beginning with the date of the grant of probate or letters of administration or, in Scotland, confirmation of executors.

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- (4) Where the Board amend the registration of a scheme under this section, this Chapter shall (subject to any necessary modifications) have effect as if the personal representatives had been the scheme employer throughout.
- (5) The Board shall give notice to the personal representatives if they refuse an application under this section.]

Textual Amendments

F8 Ss. 177A, 177B inserted by Finance Act 1989 (c. 26), Sch. 4 para. 3

177B Alteration of scheme's terms.

- (1) The alteration of the terms of a registered scheme shall not of itself invalidate the registration of the scheme.
- (2) Subsection (1) above is without prejudice to the power of cancellation conferred on the Board by section 178(3A); but the power conferred by section 178(3A) shall not be exercisable by virtue of an alteration registered in accordance with this section.
- (3) Where the terms of a registered scheme have been altered, the scheme employer may apply to the Board for the registration of the alteration.
- (4) An application under subsection (3) above—
 - (a) shall be in such form as the Board may prescribe;
 - (b) shall be made within the period of one month beginning with the day on which the alteration is made;
 - (c) shall contain a declaration by the applicant that the alteration is within subsection (8) below and that the scheme as altered complies with the requirements of Schedule 8 (either as that Schedule had effect when the scheme was registered, or as it then had effect but subject to one or more subsequent amendments specified in the declaration);
 - (d) shall be accompanied by a report by an independent accountant, in a form prescribed by the Board, to the effect that in his opinion the alteration is within subsection (8) below and the scheme as altered complies with the requirements of Schedule 8 (either as that Schedule had effect when the scheme was registered, or as it then had effect but subject to one or more subsequent amendments specified in the report).
- (5) The Board shall not more than three months after the day on which they receive an application under subsection (3) above either register the alteration or refuse the application; and in either case they shall give notice of their decision to the applicant.
- (6) Subject to subsection (7) below, the Board shall register an alteration on an application under subsection (3) above.
- (7) The Board may refuse an application under subsection (3) above if they are not satisfied—
 - (a) that the application complies with the requirements of subsection (4) above, or
 - (b) that the declaration referred to in subsection (4)(c) above is true.
- (8) An alteration is within this subsection if—

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- (a) it relates to a term which is not relevant to the question whether the scheme complies with the requirements of Schedule 8; or
- (b) it relates to a term identifying any person (other than the scheme employer) who pays the emoluments of employees to whom the scheme relates; or
- (c) it consists of the addition of a term making provision for an abbreviated profit period of the kind referred to in paragraph 10(3) of Schedule 8; or
- (d) it amends the provisions by reference to which the employees to whom the scheme relates may be identified, and does so only for the purposes of profit periods which begin after the date on which the alteration is made; or
- (e) it relates to a provision of a kind referred to in paragraph 13(4) or (5) or 14(3), (4) or (5) of Schedule 8 (as those provisions have effect at the time of the application for registration of the alteration), and has effect only for the purposes of profit periods beginning after the date on which the alteration is made; or
- (f) it amends the provisions as to when payments will be made to employees, and does so only for the purposes of profit periods beginning after the date on which the alteration is made; or
- (g) the scheme did not comply with the requirements of Schedule 8 when it was registered, and the alteration—
 - (i) is made in order to bring the scheme into compliance with the requirements of that Schedule (either as it had effect when the scheme was registered or as it has effect at the time of the application for registration of the alteration), and
 - (ii) is made for the purposes of the first and any subsequent profit period to which the scheme relates, and
 - (iii) is made within two years of the beginning of the first profit period, and
 - (iv) does not invalidate (in whole or in part) any payment of profit-related pay already made under the scheme.

Modifications etc. (not altering text)

C1 S. 177B(8) extended (1.5.1995) by [Finance Act 1995 \(c. 4\)](#), s. 136(10)

178 Cancellation of registration.

^{M15}(1) If after a scheme has been registered under this Chapter it appears to the Board—

- (a) that the scheme has not been or will not be administered in accordance with [F9its terms or in accordance with] this Chapter in relation to a profit period; or
- (b) that the circumstances relating to the scheme have during a profit period become such that (if it were not registered) an application to register it under this Chapter would be excluded by section 174; or
- (c) in the case of a scheme which employs (as the method of determining the distributable pool for a profit period) the method described as method B in paragraph 14 of Schedule 8, that losses were incurred in a profit period or in the preceding period of 12 months; or
- (d) that the undertaking given in compliance with section 175(1)(c) has not been complied with in relation to employment at any time during a profit period;

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the Board may cancel the registration and, subject to [F¹⁰subsections (5) and (5A)] below, the cancellation shall have effect from the beginning of that profit period.

- (2) If after a scheme has been registered under this Chapter it appears to the Board—
- (a) that at the time of registration the scheme did not comply with the requirements of Schedule 8 or that the application did not comply with the requirements of this Chapter; or
 - (b) *in the case of a scheme which employs (as the method of determining the distributable pool for a profit period) the method described as method A in paragraph 13 of Schedule 8, that losses were incurred in the base year specified in the scheme*^{F¹¹};

the Board may cancel the registration with effect from the beginning of the profit period (or first profit period) to which the scheme related.

- (3) If after a scheme has been registered under this Chapter the scheme employer fails to comply with the requirements of section 180 in relation to a profit period, the Board may cancel the registration with effect from the beginning of that profit period.

[F¹²(3A) Where the terms of a registered scheme have been altered, then, subject to section 177B(2), the Board may cancel the registration of the scheme with effect from the beginning of the profit period during which the alteration took effect or with effect from the beginning of any later profit period.

- (3B) If after an alteration of the terms of a scheme has been registered under section 177B it appears to the Board—
- (a) that the application for registration of the alteration did not comply with the requirements of subsection (4) of that section, or
 - (b) that the declaration referred to in subsection (4)(c) of that section was false, the Board may cancel the registration of the scheme with effect from the beginning of the profit period during which the alteration took effect or with effect from the beginning of any later profit period.]

- (4) If the scheme employer by notice requests the Board to cancel the registration of the scheme with effect from the beginning of a profit period specified in the notice, the Board shall comply with the request.

- (5) Where—
- (a) the scheme employer has given to the Board in accordance with section 181(3) notice of a change in the employment unit, or in the circumstances relating to the scheme, which is a ground for cancellation of the registration of the scheme by virtue of subsection (1)(a) or (b) above, and
 - (b) the Board are satisfied that the change is not brought about with a view to the registration of a new scheme, and
 - (c) in the notice the scheme employer requests the Board to cancel the registration of the scheme with effect from the date of the change,

then, if the notice is given before the end of the period of one month beginning with that day, the Board shall comply with the request.

[F¹²(5A) Where—

- (a) the scheme employer has died, and
- (b) his personal representatives by notice request the Board to cancel the registration of the scheme with effect from the date of death,

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then, if the notice is given before the end of the period of one month beginning with the date of the grant of probate or letters of administration or, in Scotland, confirmation of executors, the Board shall comply with the request.]

- (6) The Board shall give notice to the scheme employer of the cancellation of a scheme's registration.

Textual Amendments

- F9** 1988(F) s.146 and Sch.13 para.4 (*deemed always to have had effect*).
F10 1989 s.61 and Sch.4 para.4(2). *Previously*
“subsection (5)”.
F11 *Repealed by 1989 ss.61 and 187 and Schs.4 para.10(2)(a) and 17 Part IV.*
F12 1989 s.61 and Sch.4 paras.4(3), 4(4).

Marginal Citations

- M15** Source—1987 (No.2) s.10

Administration

179 Recovery of tax from scheme employer.

^{M16}(1) This section applies where—

- (a) payments of profit-related pay are made to an employee in accordance with a registered scheme; and
- (b) in consequence of the relief given by this Chapter in respect of registered schemes, less income tax is deducted from the payments in accordance with section 203 than would have been deducted if the scheme had not been registered; and
- (c) the registration of the scheme is subsequently cancelled with effect from a time before that relevant for the purposes of the relief.

- (2) Where this section applies, an amount equal to the shortfall in the deductions made in accordance with section 203 shall be payable by the scheme employer to the Board; and regulations under that section may include provision as to the collection and recovery of any such amount.

[^{F13}(3) Where—

- (a) the scheme employer has died, but
- (b) his personal representatives have not been substituted for him as the scheme employer by virtue of section 177A,

the reference in subsection (2) above to the scheme employer shall be construed as a reference to the personal representatives.

(4) Where—

- (a) a payment to which this section applies was made by a person other than the scheme employer, and
- (b) the scheme employer is not resident in the United Kingdom,

then in relation to that payment the reference in subsection (2) above to the scheme employer shall include a reference to the person by whom the payment was made.]

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Textual Amendments

F13 1989 s.61 and Sch.4 para.5.

Marginal Citations

M16 Source—1987 (No.2) s.11

180 Annual returns etc.

^{M17}(1) After every profit period of a registered scheme, the scheme employer shall, within the period allowed by subsection (2) below, send to the Board—

- (a) a return in such form and containing such information as the Board may prescribe; and
- (b) a report by an independent accountant in such form and containing such information as the Board may prescribe and stating that in his opinion the terms of the scheme have been complied with in respect of the profit period.

(2) Subject to subsection (3) below, the period allowed for complying with subsection (1) above is—

- (a) seven months from the end of the profit period if the employment unit to which the scheme relates is an undertaking or part of an undertaking of a public company; and
- (b) ten months from the end of the profit period in any other case.

(3) If before the end of the period allowed by subsection (2) above the scheme employer gives the Board notice that an extension of three months has been allowed under [^{F14}section 244(3)] of the ^{M18}Companies Act 1985, or under Article 250(3) of the ^{M19}Companies (Northern Ireland) Order 1986, in relation to a financial year of the employer which corresponds with the profit period in question, then the period allowed by subsection (2) above shall be correspondingly extended.

(4) In subsection (2)(a) above, “public company” has the meaning given by section 1(3) of the Companies Act 1985 or Article 12(3) of the Companies (Northern Ireland) Order 1986.

[^{F15}(5) Where—

- (a) the scheme employer has died, but
- (b) his personal representatives have not been substituted for him as the scheme employer by virtue of section 177A,

the reference in subsection (1) above to the scheme employer shall be construed as a reference to the personal representatives.]

Textual Amendments

F14 *Companies Act 1989 (c.40) s.23 and Sch.10 para.38(2) in force on 1 April 1990 by virtue of S.I. 1990 No.355 (c.13), art.3 (not reproduced). Previously “section 242(3)”.*

F15 1989 s.61 and Sch.4 para.6.

Marginal Citations

M17 Source—1987 (No.2) s.12

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M18 1985 c. 6.

M19 S.I. 1986/1032 (N.I. 6).

181 Other information.

- ^{M20}(1) The Board may by notice require any person to give them, within a period of 30 days or such longer period as may be specified in the notice, any information which is so specified and which—
- (a) that person has or can reasonably be required to obtain; and
 - (b) the Board consider they need to have in order to perform their functions under this Chapter.
- (2) Without prejudice to the generality of subsection (1)(b) above, the Board may in particular require a person under subsection (1) to give them—
- (a) information to enable them to determine whether the registration of a scheme should be cancelled;
 - (b) information to enable them to determine the liability to tax of any person who is or has been an employee to whom a registered scheme relates or who pays or has paid emoluments to such an employee;
 - (c) information about the administration of a profit-related pay scheme which is or has been a registered scheme;
 - (d) information about any change of person paying emoluments to employees to whom a registered scheme relates.
- (3) The scheme employer of a registered scheme shall by notice inform the Board without delay if he becomes aware of anything that is or may be a ground for cancellation of the registration of the scheme.
- [^{F16}(4) Where the scheme employer has died, his personal representatives shall inform the Board of his death by notice given before the end of the period of one month beginning with the date of the grant of probate or letters of administration or, in Scotland, confirmation of executors.]

Textual Amendments

F16 1989 s.61 and Sch.4 paras.7, 8(2), 8(3).

Marginal Citations

M20 Source—1987 (No.2) s.13

182 Appeals.

- ^{M21}(1) An appeal to the Special Commissioners may be made by a scheme employer—
- (a) against a refusal by the Board under section 176(2) or (4) of an application for registration of the scheme;
 - (b) against a refusal by the Board of an application under section 177;
 - [^{F17}(bb) against a refusal by the Board of an application under section 177B(3).]
 - (c) against the cancellation by the Board of the registration of the scheme.

Status: Point in time view as at 14/10/1996.

Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER III is up to date with all changes known to be in force on or before 16 September 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)

- [^{F17}(1A) An appeal to the Special Commissioners may be made by the personal representatives of a scheme employer against a refusal by the Board of an application under section 177A.]
- (2) An appeal under this section shall be made by notice given to the Board within 30 days of the day on which the [^{F18}appellant] was notified of the refusal or, as the case may be, the cancellation.

Textual Amendments

- F17** 1989 s.61 and Sch.4 paras.7, 8(2), 8(3).
F18 1989 s.61 and Sch.4 para.8(4). *Previously*
 “scheme employer”.

Marginal Citations

- M21** Source—1987 (No.2) s.15

Supplementary

183 Partnerships.

^{M22}For the purposes of this Chapter the members of a partnership which is a scheme employer shall be treated as a single continuing body of persons notwithstanding any change in their identity.

Marginal Citations

- M22** Source—1987 (No.2) s.16

184 Independent accountants.

^{M23}(1) For the purposes of this Chapter, “independent accountant”, in relation to a profit-related pay scheme, means a person who—

- (a) [^{F19}is eligible for appointment as a company auditor under section 25 of the Companies Act 1989][^{F20}or Article 28 of the Companies (Northern Ireland) Order 1990]; and
- (b) is not excluded by subsections (2) to [^{F21}(4)] below.

(2) A person is not an independent accountant in relation to a profit-related pay scheme if—

- (a) he is the employer of employees to whom the scheme relates; or
- (b) he is a partner [^{F22}, or an officer] or an employee of, or partner of an employee of, a person within subsection (3) below; or
- (c) he is [^{F23}a partner or]an employee of a person within paragraph (b) above.

(3) The persons within this subsection are—

- (a) any person having employees to whom the scheme relates;

Status: Point in time view as at 14/10/1996.

Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER III is up to date with all changes known to be in force on or before 16 September 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)

- (b) any body corporate which is the subsidiary or holding company of a body corporate within paragraph (a) above or a subsidiary of such a body's holding company.
- (4) For the purposes of this section—
 - (a) an auditor of a company is not to be regarded as an [^{F24}officer or]employee of it; and
 - (b) “holding company” and “subsidiary” are to be construed in accordance with section 736 of the Companies Act 1985 or Article 4 of the Companies (Northern Ireland) Order 1986.
- (5) ^{F25}
- (6) [^{F26}For the purposes of this Chapter, “independent accountant”, in relation to a scheme, includes a Scottish firm all the partners of which are independent accountants in relation to the scheme.]

Textual Amendments

- F19** Words in s. 184(1)(a) substituted by S.I. 1991/1997, **reg. 68(a)** (with reg. 4)
- F20** Words in s. 184(1)(a) substituted (29.3.1993) by S.R. 1993/67, reg. 2, **Sch. para.18**
- F21** Word in s. 184(1)(b) substituted by S.I. 1991/1997, **reg. 68(b)** (with reg. 4)
- F22** Words in s. 184(2)(b) inserted by S.I. 1991/1997, **reg. 68(c)** (with reg. 4)
- F23** Words in s. 184(2)(c) inserted by S.I. 1991/1997, **reg. 68(d)** (with reg. 4)
- F24** Words in s. 184(4)(a) inserted by S.I. 1991/1997, **reg. 68(e)** (with reg. 4)
- F25** S. 184(5) omitted by virtue of S.I. 1991/1997, **reg. 68(f)** (with reg. 4)
- F26** S. 184(6) repealed (E.W.S.) (23.5.1995) by The Companies Act 1989 Part II (Consequential Amendments) Regulations 1995 (S.I. 1995/1163), **reg. 3**

Marginal Citations

- M23** Source—1987 (No.2) s.17

Status:

Point in time view as at 14/10/1996.

Changes to legislation:

Income and Corporation Taxes Act 1988, CHAPTER III is up to date with all changes known to be in force on or before 16 September 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.