

**Changes to legislation:** *Income Tax (Earnings and Pensions) Act 2003, Paragraph 46 is up to date with all changes known to be in force on or before 23 June 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 2

#### <sup>F1</sup> ... SHARE INCENTIVE PLANS

##### Textual Amendments

- F1** Word in Sch. 2 title omitted (6.4.2014) by virtue of [Finance Act 2014 \(c. 26\)](#), [Sch. 8 paras. 14, 89](#) (with [Sch. 8 paras. 90-96](#))

### PART 6

#### PARTNERSHIP SHARES

##### *Maximum amount of deductions*

- 46 (1) The amount of partnership share money deducted from an employee's salary must not exceed [<sup>F1</sup>£1,800] in any tax year.
- (2) The amount of partnership share money deducted from an employee's salary [<sup>F2</sup>for any tax year must not exceed 10% of the employee's salary for the tax year.]
- (3) The plan may authorise the company to specify lower limits than those specified in sub-paragraphs (1) and (2).
- (4) If it does so, different limits may be specified in relation to different awards of shares.
- [<sup>F3</sup>(4A) A limit lower than that specified in sub-paragraph (2) may be framed—
- (a) as a proposition substituting a percentage lower than that so specified, or
  - (b) as a proposition that a particular description of earnings is not to be regarded as forming part of an employee's salary for the purposes of that sub-paragraph.]
- (5) Any amount deducted in excess of that allowed by sub-paragraph (1) or (2), or any lower limit in the plan, must be paid over to the employee as soon as practicable.
- [<sup>F4</sup>(6) The Treasury may by order amend sub-paragraph (1) by substituting for any amount for the time being specified there an amount specified in the order.]

##### Textual Amendments

- F1** Word in Sch. 2 para. 46(1) substituted (6.4.2014) by [Finance Act 2014 \(c. 26\)](#), [s. 49\(3\)\(4\)](#)
- F2** Words in Sch. 2 para. 46(2) substituted (with effect in accordance with Sch. 21 para. 7(5) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), [Sch. 21 para. 7\(3\)](#)
- F3** Sch. 2 para. 46(4A) inserted (10.7.2003) by virtue of [Finance Act 2003 \(c. 14\)](#), [Sch. 21 para. 7\(4\)](#)

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**F4** Sch. 2 para. 46(6) inserted (17.7.2014) by [Finance Act 2014 \(c. 26\), s. 50\(3\)](#)

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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\(4\)](#)