

Changes to legislation: *Income Tax (Earnings and Pensions) Act 2003, Paragraph 52 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

^{F1} ... 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

Application of money deducted in accumulation period

- 52 (1) This paragraph applies if the plan provides for one or more accumulation periods.
- (2) The plan must provide for the partnership share money deducted in each accumulation period under a partnership share agreement to be applied by the trustees in acquiring partnership shares on behalf of the employee on the acquisition date.
- [^{F1}(2A) The number of shares awarded to the employee must be determined in accordance with one of sub-paragraphs (3), (3A) and (3B) and the partnership share agreement must specify which one of those sub-paragraphs is to apply for the purposes of the agreement.]
- (3) [^{F2}If the agreement specifies that this sub-paragraph is to apply, the number of shares awarded to the] employee must be determined in accordance with the lower of—
- (a) the market value of the shares at the beginning of the accumulation period,
and
- (b) the market value of the shares on the acquisition date.
- [^{F3}(3A) If the agreement specifies that this sub-paragraph is to apply, the number of shares awarded to the employee must be determined in accordance with the market value of the shares at the beginning of the accumulation period.
- (3B) If the agreement specifies that this sub-paragraph is to apply, the number of shares awarded to the employee must be determined in accordance with the market value of the shares on the acquisition date.]
- (4) Sub-paragraphs (2) [^{F4}to (3B)] are subject to sub-paragraphs (7) and (8) and to paragraph 53 (restriction on number of shares awarded).

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- (5) In sub-paragraphs (2) [^{F4}to (3B)] “the acquisition date” means the date set by the trustees in relation to the award of partnership shares, which must be not later than 30 days after the end of the accumulation period which applies in relation to the award.
- (6) Any surplus partnership share money remaining after the acquisition of shares by the trustees—
- (a) may with the agreement of the employee be carried forward to the next accumulation period, and
 - (b) in any other case must be paid over to the employee as soon as practicable.
- (7) The plan must provide that where the employee ceases to be in relevant employment during an accumulation period, any partnership share money deducted in the period is to be paid over to the individual as soon as practicable.
- (8) The partnership share agreement may provide that, where an accumulation period comes to an end on the occurrence of a specified event, the partnership share money deducted in that period must be paid over to the individual as soon as practicable instead of being applied in acquiring shares.

Textual Amendments

- F1** Sch. 2 para. 52(2A) inserted (with effect in accordance with Sch. 2 para. 81 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 2 para. 79\(2\)](#)
- F2** Words in Sch. 2 para. 52(3) substituted (with effect in accordance with Sch. 2 para. 81 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 2 para. 79\(3\)](#)
- F3** Sch. 2 para. 52(3A)(3B) inserted (with effect in accordance with Sch. 2 para. 81 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 2 para. 79\(4\)](#)
- F4** Words in Sch. 2 para. 52(4)(5) substituted (with effect in accordance with Sch. 2 para. 81 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 2 para. 79\(5\)](#)

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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\(4\)](#)