

**Changes to legislation:** Income Tax (Earnings and Pensions) Act 2003, Paragraph 7 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 2

#### GENERAL REQUIREMENTS

##### *The purpose of the plan*

- 7 (1) The purpose of the plan must be to provide<sup>F1</sup>, in accordance with this Schedule,] benefits to employees in the [<sup>F2</sup>form] of shares in a company which give them a continuing stake in that company.

<sup>F3</sup>(1A) The plan must not provide benefits to employees otherwise than in accordance with this Schedule.

(1B) For example, the plan must not provide cash to employees as an alternative to shares.

(1C) Sub-paragraph (1A) does not prohibit an employee receiving a benefit from a company as a result of any shares in that company being held on the employee's behalf under the plan where the employee would have received the same benefit from the company had the shares been acquired by the employee otherwise than by virtue of the plan.]

<sup>F4</sup>(2) .....

##### Textual Amendments

- F1** Words in Sch. 2 para. 7(1) inserted (6.4.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 8 paras. 19\(2\)\(a\)](#), 89 (with [Sch. 8 paras. 90-96](#))
- F2** Word in Sch. 2 para. 7(1) substituted (6.4.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 8 paras. 19\(2\)\(b\)](#), 89 (with [Sch. 8 paras. 90-96](#))
- F3** Sch. 2 para. 7(1A)-(1C) inserted (6.4.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 8 paras. 19\(3\)](#), 89 (with [Sch. 8 paras. 90-96](#))
- F4** Sch. 2 para. 7(2) omitted (6.4.2014) by virtue of [Finance Act 2014 \(c. 26\)](#), [Sch. 8 paras. 19\(4\)](#), 89 (with [Sch. 8 paras. 90-96](#))

**Changes to legislation:**

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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\(4\)](#)