

Changes to legislation: Income Tax (Earnings and Pensions) Act 2003, Cross Heading: Requirement as to listing etc. is up to date with all changes known to be in force on or before 15 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 **U.K.**

^{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 4 **U.K.**

TYPES OF SHARES THAT MAY BE AWARDED

Requirement as to listing etc.

- 27 (1) Eligible shares must be—
- (a) shares of a class listed on a recognised stock exchange,
 - (b) shares in a company which is not under the control of another company, ^{F1}...
 - [^{F2}(ba) shares in a company which is subject to an employee-ownership trust, or]
 - (c) shares in a company which is under the control of a listed company.
- (2) A “listed company” is a company whose shares are listed on a recognised stock exchange, other than—
- (a) a close company, or
 - (b) a company that would be a close company if resident in the United Kingdom.
- [^{F3}(3) But a company is not a close company for the purposes of sub-paragraph (2) if it is subject to an employee-ownership trust.
- (4) A company (“C”) is “subject to an employee-ownership trust” if—
- (a) C meets the trading requirement set out in section 312D,
 - (b) C meets the indirect employee-ownership requirement,
 - (c) neither C, nor any other company which is a member of the same group of companies as C, is a service company, and
 - (d) C is not under the control of another company (ignoring for this purpose another company acting in its capacity as the trustee of the settlement by virtue of which C meets the indirect employee-ownership requirement).
- (5) Section 312E (the indirect employee-ownership requirement) applies for the purposes of sub-paragraph (4), subject to the following modifications—
- (a) subsection (3) of that section has effect as if—
 - (i) the words “during the qualifying period” were omitted, and

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- (ii) in paragraph (a) for “10 December 2013” there were substituted “1 October 2014”, and
- (b) subsection (4) has effect as if for paragraph (b) there were substituted—
 - “(b) section 236L of that Act applies as if the reference in subsection (1)(c) of that section to the period of 12 months ending with the time in question were a reference to any time on or after 1 October 2014.”
- (6) Section 312G (meaning of “service company”) applies for the purposes of subparagraph (4)(c), subject to the following modifications—
 - (a) in subsection (3)(b), the reference to the company which makes the payment is to be read as a reference to C,
 - (b) in subsection (4)(a), the reference to the time the payment is made is to be read as a reference to any time, and
 - (c) in subsection (4)(b), the reference to any time before the time the payment is made is to be read as a reference to any time.]

Textual Amendments

- F1** Word in [Sch. 2 para. 27\(1\)\(b\)](#) omitted (1.10.2014) by virtue of [Finance Act 2014 \(c. 26\)](#), [Sch. 37 para. 19\(2\)\(4\)](#)
- F2** [Sch. 2 para. 27\(1\)\(ba\)](#) inserted (1.10.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 37 para. 19\(2\)\(4\)](#)
- F3** [Sch. 2 para. 27\(3\)-\(6\)](#) inserted (1.10.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 37 para. 19\(3\)\(4\)](#)

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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\(4\)](#)