

**Changes to legislation:** *Income Tax (Earnings and Pensions) Act 2003, Paragraph 28 is up to date with all changes known to be in force on or before 24 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 3

#### <sup>F1</sup>... SAYE OPTION SCHEMES

##### Textual Amendments

- F1** Word in [Sch. 3](#) title omitted (6.4.2014) by virtue of [Finance Act 2014 \(c. 26\)](#), [Sch. 8 paras. 103, 146](#) (with [Sch. 8 paras. 147-157](#))

#### PART 6

##### REQUIREMENTS ETC. RELATING TO SHARE OPTIONS

###### *Requirements as to price for acquisition of shares*

- 28 (1) The price at which shares may be acquired by the exercise of a share option granted under the scheme—
- (a) must be stated at the time when the option is granted, and
  - (b) must not be manifestly less than 80% of the market value of shares of the same class<sup>F1</sup>—
    - (i) at that time, or
    - (ii) at such earlier time as may be determined in accordance with guidance issued by the Commissioners for Her Majesty's Revenue and Customs.]

This is subject to <sup>F2</sup>sub-paragraph (3)].

<sup>F3</sup>(2) .....

- (3) The scheme may provide for one or more of the following—
- (a) the price at which shares may be acquired by the exercise of a share option granted under the scheme,
  - (b) the number of shares which may be so acquired, or
  - (c) the description of shares which may be so acquired,
- to be varied so far as necessary to take account of a variation in the share capital of which the shares form part.

<sup>F4</sup>(3A) If the scheme makes provision under sub-paragraph (3), the variation or variations made under that provision to take account of a variation in any share capital must (in particular) secure—

- (a) that the total market value of the shares which may be acquired by the exercise of the share option is immediately after the variation or variations

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substantially the same as what it was immediately before the variation or variations, and

- (b) that the total price at which those shares may be acquired is immediately after the variation or variations substantially the same as what it was immediately before the variation or variations.

(3B) Sub-paragraph (3) does not authorise any variation which would result in the requirements of the other paragraphs of this Schedule not being met in relation to the share option.]

<sup>F5</sup>(4) .....

[<sup>F6</sup>(5) At the time a share option is granted—

- (a) it must be stated whether or not the shares which may be acquired by the exercise of the option may be subject to any restriction, and  
(b) if so, the details of the restriction must also be stated.

(6) For the purposes of this paragraph the market value of shares subject to a restriction is to be determined as if they were not subject to the restriction.]

#### Textual Amendments

- F1** Words in Sch. 3 para. 28(1)(b) substituted (15.9.2016) by [Finance Act 2016 \(c. 24\)](#), [Sch. 3 para. 6\(2\)\(a\)](#)  
**F2** Words in Sch. 3 para. 28(1) substituted (15.9.2016) by [Finance Act 2016 \(c. 24\)](#), [Sch. 3 para. 6\(2\)\(b\)](#)  
**F3** Sch. 3 para. 28(2) omitted (15.9.2016) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 3 para. 6\(3\)](#)  
**F4** Sch. 3 para. 28(3A)(3B) inserted (6.4.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 8 paras. 111\(2\)](#), 146 (with [Sch. 8 paras. 147-157](#))  
**F5** Sch. 3 para. 28(4) omitted (6.4.2014) by virtue of [Finance Act 2014 \(c. 26\)](#), [Sch. 8 paras. 111\(3\)](#), 146 (with [Sch. 8 paras. 147-157](#))  
**F6** Sch. 3 para. 28(5)(6) inserted (with effect in accordance with Sch. 2 para. 67 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 2 para. 62](#)

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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\(4\)](#)