



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 4

EMPLOYMENT INCOME: EXEMPTIONS

CHAPTER 11

MISCELLANEOUS EXEMPTIONS

[^{F1}Employee shareholder agreements

[^{F1}326B Advice relating to proposed employee shareholder agreements

- (1) No liability to income tax arises by virtue of—
 - (a) the provision of relevant advice by a relevant independent adviser, or
 - (b) the payment or reimbursement, in accordance with section 205A(7) of the Employment Rights Act 1996, of any reasonable costs incurred in obtaining relevant advice.
- (2) “Relevant advice” means—
 - (a) advice, other than tax advice, which is provided for the purposes of section 205A(6)(a) of that Act (advice as to terms and effect of employee shareholder agreement), and
 - (b) tax advice which is so provided and consists only of an explanation of the tax effects of employee shareholder agreements generally.
- (3) In this section—

“employee shareholder agreement” means an agreement by virtue of which an employee is an employee shareholder (see section 205A(1)(a) to (d) of that Act);

Changes to legislation: *Income Tax (Earnings and Pensions) Act 2003, Section 326B is up to date with all changes known to be in force on or before 22 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*

“relevant independent adviser” has the meaning that it has for the purposes of section 203(3)(c) of that Act.]

Textual Amendments

F1 S. 326B and cross-heading inserted (1.9.2013) by [Finance Act 2013 \(c. 29\)](#), [Sch. 23 paras. 37, 38](#); [S.I. 2013/1755, art. 2](#)

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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\(4\)](#)