



# Income Tax (Earnings and Pensions) Act 2003

## 2003 CHAPTER 1

### PART 7

[<sup>F1</sup>EMPLOYMENT INCOME: INCOME AND EXEMPTIONS RELATING TO SECURITIES]

### [<sup>F1</sup>CHAPTER 2

#### RESTRICTED SECURITIES

#### *Tax charge on post-acquisition chargeable events*

#### [<sup>F1</sup>]~~431B~~ Securities acquired for purpose of avoidance

Where employment-related securities are restricted securities or a restricted interest in securities, the employer and the employee are to be treated as making an election under section 431(1) in relation to the employment-related securities if

- <sup>F3</sup>(a) [ the main purpose (or one of the main purposes) of the arrangements under which the right or opportunity to acquire the employment-related securities is made available is the avoidance of tax or national insurance contributions][<sup>F4</sup>, and]
- <sup>F5</sup>(b) [ at the time of the acquisition, the earnings from the employment are (or would be if there were any) general earnings to which any of the charging provisions of Chapters 4 and 5 of Part 2 applies.]]

#### Textual Amendments

- F1** Pt. 7 Ch. 2 substituted (1.9.2003 with effect in accordance with Sch. 22 para. 3(2)-(4) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), [Sch. 22 para. 3\(1\)](#); S.I. 2003/1997, art. 2

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**Changes to legislation:** *Income Tax (Earnings and Pensions) Act 2003, Section 431B 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*

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- F2** S. 431B inserted (with effect in accordance with Sch. 2 para. 7(2) of the amending Act) by [Finance \(No. 2\) Act 2005 \(c. 22\), Sch. 2 para. 7\(1\)](#)
- F3** Words in s. 431B renumbered as s. 431B(a) (6.4.2015) by [The Finance Act 2014, Schedule 9 \(Employment-related Securities etc.\) \(Consequential etc. Amendments\) Regulations 2015 \(S.I. 2015/360\), regs. 1\(2\), 2\(a\)](#)
- F4** Word in s. 431B(a) inserted (6.4.2015) by [The Finance Act 2014, Schedule 9 \(Employment-related Securities etc.\) \(Consequential etc. Amendments\) Regulations 2015 \(S.I. 2015/360\), regs. 1\(2\), 2\(b\)](#)
- F5** S. 431B(b) inserted (6.4.2015) by [The Finance Act 2014, Schedule 9 \(Employment-related Securities etc.\) \(Consequential etc. Amendments\) Regulations 2015 \(S.I. 2015/360\), regs. 1\(2\), 2\(b\)](#)

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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\(4\)](#)