
Changes to legislation: Finance Act 2014, Cross Heading: Commencement and transitional provision is up to date with all changes known to be in force on or before 09 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 8 **U.K.**

EMPLOYEE SHARE SCHEMES

PART 2 **U.K.**

SAYE OPTION SCHEMES

Commencement and transitional provision

- 146 This Part is treated as having come into force on 6 April 2014.
- 147 Paragraphs 148 to 157 below apply in relation to an SAYE option scheme established before 6 April 2014.
- 148 (1) If the scheme was an approved SAYE option scheme immediately before 6 April 2014, this paragraph applies to any provision which the scheme contains immediately before that date and which requires the approval or agreement of Her Majesty's Revenue and Customs or an officer of Revenue and Customs to be obtained in relation to any matter.
- (2) On and after 6 April 2014, the provision is to have effect without the requirement for the approval or agreement, unless the requirement reflects a requirement for approval or agreement set out in Schedule 3 to ITEPA 2003 (as amended by this Part).
- 149 (1) If the scheme was an approved SAYE option scheme immediately before 6 April 2014, the amendment made by paragraph 108 above has effect in relation to the scheme only if, and when, there is an alteration in a key feature of the scheme on or after that date.
- (2) In sub-paragraph (1) "key feature" has the meaning given in paragraph 40B(8) of Schedule 3 to ITEPA 2003 (as inserted by paragraph 117 above).
- 150 If the scheme was an approved SAYE option scheme immediately before 6 April 2014, on and after that date the scheme has effect with any modifications needed to reflect the amendment made by paragraph 110 above.
- 151 (1) This paragraph applies if, immediately before 6 April 2014, the scheme was an approved SAYE option scheme which contains provision authorised by paragraph 28(3) of Schedule 3 to ITEPA 2003.
- (2) On and after 6 April 2014, the scheme has effect with any modifications needed to reflect the amendments made by paragraph 111 above.
- 152 (1) The amendment made by paragraph 112 above has no effect in relation to share options granted before 6 April 2014 under the scheme.
- (2) If the scheme was an approved SAYE option scheme immediately before 6 April 2014, on and after that date the scheme has effect with any modifications needed to

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- reflect the amendment made by paragraph 112 above (subject to sub-paragraph (1) of this paragraph).
- 153 (1) The amendments made by paragraph 113 above have no effect in a case where P ceases to hold the scheme-related employment before 6 April 2014.
- (2) If immediately before 6 April 2014 the scheme was an approved SAYE option scheme which contains provision authorised by paragraph 34(5) of Schedule 3 to ITEPA 2003, on and after that date the scheme has effect with any modifications needed to reflect the amendments made by paragraph 113 above (subject to sub-paragraph (1) of this paragraph).
- 154 (1) This paragraph applies if, immediately before 6 April 2014, the scheme was an approved SAYE option scheme which contains provision authorised by paragraph 37(1) of Schedule 3 to ITEPA 2003.
- (2) On and after 6 April 2014, the scheme has effect with any modifications needed to reflect the amendment made by paragraph 114(3) above.
- 155 (1) Paragraph 40A of Schedule 3 to ITEPA 2003 (as inserted by paragraph 117 above) has effect in relation to the scheme—
- (a) as if, at the end of sub-paragraph (1), the words “on or before 6 July 2015” were inserted,
 - (b) if the first date on which share options are granted under the scheme falls before 6 April 2014—
 - (i) as if, in sub-paragraph (3)(b), the reference to that date were a reference to 6 April 2014 and, accordingly, as if all references in paragraph 40A to the first grant date were references to 6 April 2014,
 - (ii) as if sub-paragraph (3)(b)(i) were omitted, and
 - (iii) as if, in sub-paragraph (3)(b)(ii), “otherwise” were omitted,
 - (c) as if sub-paragraph (5) were omitted, and
 - (d) as if, in sub-paragraph (6), the definitions of “the initial notification deadline” and “the relevant tax year” were omitted.
- (2) But the scheme cannot be a Schedule 3 SAYE option scheme if, before 6 April 2014, an application for its approval was refused or an officer of Revenue and Customs decided to withdraw its approval.
- (3) Sub-paragraph (2) is without prejudice to the outcome of any appeal under paragraph 41 or 44 of Schedule 3 to ITEPA 2003 against the refusal or decision to withdraw approval.
- (4) The amendments made by this Part do not affect any right of appeal under paragraph 41 or 44 of Schedule 3 to ITEPA 2003 against a refusal or decision made before 6 April 2014 in relation to the scheme.
- (5) Sub-paragraphs (6) and (7) apply if a share option was granted before 6 April 2014 under the scheme at a time when the scheme was an approved SAYE option scheme.
- (6) On and after 6 April 2014, the SAYE code has effect in relation to the option as if it were granted under the scheme at a time when the scheme was a Schedule 3 SAYE option scheme (even if no notice is given under paragraph 40A of Schedule 3 to ITEPA 2003 in relation to the scheme or the scheme cannot be a Schedule 3 SAYE option scheme because of sub-paragraph (2) of this paragraph).

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- (7) If no notice is given under paragraph 40A of Schedule 3 to ITEPA 2003 in relation to the scheme, paragraph 40B of that Schedule (as inserted by paragraph 117 above) is to apply in relation to the scheme despite no notice being given; and, for this purpose, the relevant date is to be taken to be 6 April 2014.
- (8) Sub-paragraph (9) applies in relation to a share option granted before 6 April 2014 under the scheme at a time when the scheme was an approved SAYE option scheme if—
- (a) no notice is given under paragraph 40A of Schedule 3 to ITEPA 2003 in relation to the scheme or the scheme cannot be a Schedule 3 SAYE option scheme because of sub-paragraph (2) of this paragraph, and
 - (b) the option is exercised on or after 6 April 2014.
- (9) The scheme is to be taken to be a Schedule 3 SAYE option scheme at the time of the exercise of the option for the purposes of the following provisions in their application to the option—
- (a) section 519 of ITEPA 2003 (exemption in respect of exercise of share option), and
 - (b) paragraph 10(1)(b) of Schedule 7D to TCGA 1992 (market value rule not to apply).
- (10) In relation to the scheme—
- (a) paragraph 40F of Schedule 3 to ITEPA 2003 (as inserted by paragraph 117 above) has effect as if for sub-paragraph (2) there were substituted—
 - “(2) HMRC may enquire into the scheme if HMRC give notice to the scheme organiser of HMRC's intention to do so no later than 6 July 2016.”, and
 - (b) the cases covered by paragraphs 40F(4)(b), 40H(1)(a)(ii) and 40I(1)(a)(ii) of Schedule 3 to ITEPA 2003 (as inserted by paragraph 117 above) include cases in which requirements of Parts 2 to 7 of that Schedule were not met before 6 April 2014.
- 156 If the scheme was an approved SAYE option scheme before 6 April 2014, the amendments made by this Part do not affect the deductions which may be made in relation to the scheme under section 94A of ITTOIA 2005 or section 999 of CTA 2009 (deduction for costs of setting up scheme) if they would otherwise do so.
- 157 The amendments made by paragraph 118 above do not affect a notice given in relation to the scheme under paragraph 45 of Schedule 3 to ITEPA 2003 before 6 April 2014.

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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):

- Sch. 31 para. 2(3)(b) inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(iii\)](#)
- Sch. 31 para. 2(4A) inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(c\)](#)
- Sch. 31 para. 3(1A) inserted by [2017 c. 32 Sch. 14 para. 45\(3\)\(b\)](#)
- Sch. 31 para. 5(b) inserted by [2017 c. 32 Sch. 14 para. 45\(4\)\(c\)](#)
- Sch. 31 para. 2(3)(a) words inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(ii\)](#)
- Sch. 31 para. 5(a) words inserted by [2017 c. 32 Sch. 14 para. 45\(4\)\(b\)](#)
- Sch. 31 para. 2(3)(a) words renumbered as Sch. 31 para. 2(3)(a) by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(i\)](#)
- Sch. 31 para. 5(a) words renumbered as Sch. 31 para. 5(a) by [2017 c. 32 Sch. 14 para. 45\(4\)\(a\)](#)
- Sch. 32 para. 1(2)(b) inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(iii\)](#)
- Sch. 32 para. 1(3A) inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(c\)](#)
- Sch. 32 para. 1(2)(a) words inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(ii\)](#)
- Sch. 32 para. 1(2)(a) words renumbered as Sch. 32 para. 1(2)(a) by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(i\)](#)