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STATUTORY INSTRUMENTS

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**2005 No. 2562**

**INCOME TAX**

**The Personal Equity Plan (Amendment) Regulations 2005**

*Made* - - - - 14th September 2005  
*Laid before the House of*  
*Commons* - - - - 15th September 2005  
*Coming into force* - - 6th October 2005

The Treasury, in exercise of the powers conferred upon them by sections 694(1) and (5), 695(1) and (3), 696 and 701(1) of the Income Tax (Trading and Other Income) Act 2005<sup>(1)</sup> and section 151 of the Taxation of Chargeable Gains Act 1992<sup>(2)</sup>, make the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Personal Equity Plan (Amendment) Regulations 2005 and shall come into force on 6th October 2005.

**Amendment of the Personal Equity Plan Regulations 1989**

2. The Personal Equity Plan Regulations 1989<sup>(3)</sup> are amended as follows.
3. In regulation 2(1)(a) for the definition of “the Board” substitute—  
““the Board” means the Commissioners for Her Majesty’s Revenue and Customs;”.
4. In regulation 6<sup>(4)</sup>—
  - (a) in paragraph (2)(a) for the words from “, issued” to the end substitute—
    - “(i) issued by a company wherever incorporated,
    - (ii) subject to paragraph (3), officially listed on a recognised stock exchange, and
    - (iii) in circumstances where the shares in question satisfy the condition specified in paragraph (13), or were held under the component on 6th October 2005;”;
  - (b) for paragraph (2)(b)(ii) substitute—

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(1) 2005 c. 5.  
(2) 1992 c. 12; section 151 was amended by section 85 of the Finance Act 1993 (c. 34), by section 64(2) of the Finance Act 1995 (c. 4) and by paragraph 436 of Schedule 1 to the Income Tax (Trading and Other Income) Act 2005.  
(3) S.I. 1989/469; relevantly amended by S.I. 1993/756, 2001/923 and 2003/2748.  
(4) Regulation 6(12) was inserted by regulation 6 of S.I. 2003/2748.

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*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

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- “(ii) where the securities in question satisfy—
  - (a) at least one of the conditions specified in paragraph (5),
  - (b) the condition specified in paragraph (6), and
  - (c) the condition specified in paragraph (13), or the condition that they were held under the component on 6th October 2005, and”;
- (c) in paragraph (12) after “sub-paragraphs” insert “(a), (b),”.
- 5. In regulation 24A(3)(a)(5) after paragraph (ii) insert—
  - “(iia) government securities falling within regulation 6(2)(c), (d) or (e);”.

14th September 2005

*Joan Ryan*  
*Vernon Coaker*  
Two of the Lords Commissioners of Her  
Majesty’s Treasury

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Personal Equity Plan Regulations 1989 (S.I.1989/469). The effects of the Regulations are (1) to apply the “cash like test” in regulation 6(13) to shares and securities and (2) to make a small change to the annual information returns required from account managers.

Regulation 1 provides for citation and commencement and regulation 2 for amendment of the 1989 Regulations. Regulation 3 amends the definition of “the Board” to refer to the Commissioners for Her Majesty’s Revenue and Customs.

Regulation 4 applies the “cash like test” to shares and securities.

Regulation 7 makes a change to the annual information return to require the reporting of U.K. or foreign government securities.

These Regulations impose no new costs (exceeding the minimum threshold) on business.