

**2012 No. 1360**

**INCOME TAX**

**The Income Tax (Limits for Enterprise Management Incentives)  
Order 2012**

<i>Made</i>	- - - -	<i>22nd May 2012</i>
<i>Laid before the House of Commons</i>		<i>23rd May 2012</i>
<i>Coming into force</i>	- -	<i>16th June 2012</i>

The Treasury make the following Order in exercise of the powers conferred upon them by paragraph 54(1)(b)(i) and (2) of Schedule 5 to the Income Tax (Earnings and Pensions) Act 2003<sup>(a)</sup>.

**Citation and commencement**

1. This Order may be cited as the Income Tax (Limits for Enterprise Management Incentives) Order 2012 and comes into force on 16 June 2012.

**Increase in the limits for enterprise management incentives**

2.—(1) The EMI code<sup>(b)</sup> in the Income Tax (Earnings and Pensions) Act 2003 is amended as follows.

(2) In—

- (a) paragraph 5(1)(a) of Schedule 5,
- (b) paragraph 6(1) and (3) of that Schedule,
- (c) section 536(1)(e),

for “£120,000” substitute “£250,000”.

*James Duddridge*  
*Jeremy Wright*

22nd May 2012

Two of the Lords Commissioners for Her Majesty’s Treasury

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(a) 2003 c. 1.

(b) “The EMI code” is defined in section 527(3) of the Income Tax (Earnings and Pensions) Act 2003. The amounts specified in each of the provisions mentioned in regulation 2(2) were last substituted by S.I. 2008/706.

## EXPLANATORY NOTE

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

This Order provides that the maximum total value of shares in respect of which qualifying Enterprise Management Incentives share options may be granted to an employee is increased from £120,000 to £250,000 with effect from 16 June 2012. The Order increases the limits specified in paragraphs 5(1)(a) and 6(1) and (3) of Schedule 5 to the Income Tax (Earnings and Pensions) Act 2003 (c.1) from £120,000 to £250,000. It also increases the limit in section 536(1)(e) in consequence of those changes.

A Tax Information and Impact Note covering this instrument was published on 21 March 2012 alongside Budget 2012 and is available on the HMRC website at <http://www.hmrc.gov.uk/thelibrary/tiins.htm>. It remains an accurate summary of the impacts that apply to this instrument.

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