



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART V

PROVISIONS RELATING TO THE SCHEDULE E CHARGE

CHAPTER III

PROFIT-RELATED PAY

Supplementary

184 Independent accountants

- (1) For the purposes of this Chapter, “independent accountant”, in relation to a profit-related pay scheme, means a person who—
 - (a) is within section 389(1)(a) or (b) of the Companies Act 1985 or Article 397(1)(a) or (b) of the Companies (Northern Ireland) Order 1986 (qualification for appointment as auditor); and
 - (b) is not excluded by subsections (2) to (5) below.
- (2) A person is not an independent accountant in relation to a profit-related pay scheme if—
 - (a) he is the employer of employees to whom the scheme relates; or
 - (b) he is a partner or an employee of, or partner of an employee of, a person within subsection (3) below; or
 - (c) he is an employee of a person within paragraph (b) above.
- (3) The persons within this subsection are—
 - (a) any person having employees to whom the scheme relates;
 - (b) any body corporate which is the subsidiary or holding company of a body corporate within paragraph (a) above or a subsidiary of such a body’s holding company.

Status: This is the original version (as it was originally enacted).

- (4) For the purposes of this section—
 - (a) an auditor of a company is not to be regarded as an employee of it; and
 - (b) “holding company” and “subsidiary” are to be construed in accordance with section 736 of the Companies Act 1985 or Article 4 of the Companies (Northern Ireland) Order 1986.
- (5) A body corporate cannot be an independent accountant in relation to a scheme.
- (6) For the purposes of this Chapter, “independent accountant”, in relation to a scheme, includes a Scottish firm all the partners of which are independent accountants in relation to the scheme.