

*These notes refer to the Income Tax (Earnings and Pensions)
Act 2003 (c.1) which received Royal Assent on 6th March 2003*

INCOME TAX (EARNINGS AND PENSIONS) ACT 2003

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Omitted material

Schedule 4: Approved Csop Schemes

Overview

Part 2: General requirements for approval

Paragraph 4: General requirements for approval: introduction

3382. This paragraph derives from part of paragraph 1(1) of Schedule 9 to ICTA. The difference stems from the new approach of providing its own introduction to each type of requirement. This new layout is also a feature of the succeeding Parts of this Schedule.

Paragraph 5: General restriction on contents of scheme

3383. This paragraph derives from paragraph 2(1) of Schedule 9 to ICTA. It sets out the proposition in that sub-paragraph (that a scheme must not contain features, which are neither essential nor reasonably incidental to the specified purpose of the scheme).

Paragraph 6: Limit on value of shares subject to options

3384. This paragraph derives from paragraph 28 of Schedule 9 to ICTA. It caps the total value of options, which a person can obtain under CSOP schemes, at £30,000.

3385. In contrast to limits imposed in the EMI option scheme, if an option takes someone over the £30,000 limit, none of the option can qualify.

3386. In *sub-paragraph (2)*, it is made clear that options which have already been exercised do not have to be included in the £30,000 limit.