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SCHEDULES

SCHEDULE 16

RELIEF WHERE NATIONAL INSURANCE CONTRIBUTIONS MET BY EMPLOYEE

Income tax relief: securities options

- 3 (1) Chapter 5 of Part 7 of the Income Tax (Earnings and Pensions) Act 2003 (c. 1) (employment income: securities options) is amended as follows.
- (2) In section 476 (charge on occurrence of chargeable event), for subsections (1) to (4) substitute—
- “(1) If a chargeable event occurs in relation to an employment-related securities option, the taxable amount counts as employment income of the employee for the relevant tax year.
- (2) For this purpose—
- (a) “chargeable event” has the meaning given by section 477,
- (b) “the taxable amount” is the amount determined under section 478, and
- (c) “the relevant tax year” is the tax year in which the chargeable event occurs.
- (3) Relief under section 481 or 482 (relief for secondary Class 1 contributions or special contribution met by employee) may be available against an amount counting as employment income under this section.”.
- (3) In section 480 (deductible amounts), omit subsection (7).
- (4) In section 481 (deductible amount in respect of secondary Class 1 contributions met by employee)—
- (a) in the heading for “**Deductible amount in respect of**” substitute “**Relief for**”;
- (b) in subsection (1) for the opening words down to “if” substitute “Relief is available under this section against an amount counting as employment income under section 476 if”;
- (c) in subsection (2) for the opening words down to “of” substitute “The amount of the relief is the total of”;
- (d) after subsection (4) insert—
- “(4A) Relief under this section is given by way of deduction from the amount otherwise counting as employment income.
- (4B) Relief under this section does not affect the amount to be taken into account—
- (a) as employment income in determining contributions payable under the Contributions and Benefits Act, or

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- (b) as relevant employment income for the purposes of paragraph 3A or 3B of Schedule 1 to that Act.”.
- (5) In section 482 (deductible amount in respect of special contribution met by employee)—
- (a) in the heading for “**Deductible amount in respect of**” substitute “ **Relief for** ”;
 - (b) in subsection (1) for the opening words down to “if” substitute “ Relief is available under this section against an amount counting as employment income under section 476 if ”;
 - (c) after subsection (5) add—
 - “(6) The amount of the relief is the amount of the liability referred to in subsection (4).
 - “(Relief under this section is given by way of deduction from the amount otherwise counting as employment income.”.

Commencement Information

II Sch. 16 para. 3 in force at 1.9.2004 by [S.I. 2004/1945](#), [art. 2](#)

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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):

- s. 236ZA inserted by [S.I. 2024/357 art. 2\(2\)](#)