
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2010, Paragraph 5. (See end of Document for details)

SCHEDULES

SCHEDULE 1

BANK PAYROLL TAX

PART 1

THE TAX

“Excluded remuneration”

- 5 (1) “Excluded remuneration” means—
- (a) anything which is regular salary or wages or a regular benefit,
 - (b) anything in the case of which a contractual obligation to pay or provide it to or in respect of the employee concerned arose before the beginning of the chargeable period,
 - (c) any shares awarded under an approved share incentive plan (within the meaning of section 488 of ITEPA 2003), or
 - (d) any share option granted under an approved SAYE option scheme (within the meaning of section 516 of that Act).
- (2) In sub-paragraph (1)(a) “regular”, in relation to salary or wages or a benefit, means so much of the amount of the salary or wages or benefit as cannot vary according to—
- (a) the performance of, or of any part of—
 - (i) any business of the taxable company concerned, or
 - (ii) any business of a person connected with the taxable company,
 - (b) the contribution made by the employee concerned to the performance of, or of any part of, any business within paragraph (a)(i) or (ii),
 - (c) the performance by the employee of any of the duties of the employment, or
 - (d) any similar considerations.
- (3) For the purposes of sub-paragraph (1)(b) a contractual obligation to pay or provide something to or in respect of the employee does not arise until—
- (a) the amount to be paid or provided is fixed or is capable of becoming fixed without the exercise of discretion by any person, or
 - (b) the total amount of things to be paid or provided to or in respect of a number of employees including the employee is fixed or is capable of becoming fixed without the exercise of discretion by any person.
- (4) A contractual obligation to pay or provide something is taken to arise for those purposes even if payment or provision of it is dependent on compliance by the employee with any conditions.

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