

---

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2013, PART 1. (See end of Document for details)*

---

## SCHEDULES

### SCHEDULE 2

#### TAX ADVANTAGED EMPLOYEE SHARE SCHEMES

##### PART 1

##### RETIREMENT OF PARTICIPANTS

###### *Introduction*

- 1 Part 7 of ITEPA 2003 (employment income: income and exemptions relating to securities) is amended as follows.

###### *Share incentive plans*

- 2 In section 498 (no charge on shares ceasing to be subject to plan in certain circumstances) in subsection (2)(e) omit the words from “on” to “2”.
- 3 In Part 4 of Schedule 2 (types of shares that may be awarded) in paragraph 32 (provision for forfeiture) in sub-paragraph (2)(e) omit the words from “on” to “98”.
- 4 Part 11 of Schedule 2 (supplementary provisions) is amended as follows.
- 5 Omit paragraph 98 (meaning of “specified retirement age”).
- 6 In paragraph 100 (index of defined expressions) omit the entry for “the specified retirement age”.

###### *SAYE option schemes*

- 7 Part 6 of Schedule 3 (requirements etc relating to share options) is amended as follows.
- 8 In paragraph 27 (introduction) in sub-paragraph (1)—
- (a) omit the entry for paragraph 31,
  - (b) after the entry for paragraph 32 insert “ and ”, and
  - (c) omit the entry for paragraph 33 and the “and” after it.
- 9 In paragraph 30 (time for exercising options) in sub-paragraph (2)(a)—
- (a) for “32 to” substitute “ 32, ”, and
  - (b) omit “reaching the specified age without retiring”.
- 10 Omit paragraph 31 (requirement to have a “specified age”).
- 11 Omit paragraph 33 (exercise of options: reaching specified age without retiring).
- 12 In paragraph 34 (exercise of options: scheme-related employment ends) in sub-paragraph (2)(b) omit the words from “on” to “employment”.

---

*Changes to legislation: There are currently no known outstanding effects  
for the Finance Act 2013, PART 1. (See end of Document for details)*

---

- 13 In Part 9 of Schedule 3 (supplementary provisions) in paragraph 49 (index of defined expressions) omit the entry for “specified age”.

*CSOP schemes*

- 14 In section 524 (no charge in respect of exercise of option) in subsection (2C) omit the definition of “retirement” and the “and” before it.
- 15 In Part 8 of Schedule 4 (supplementary provisions) omit paragraph 35A (retirement age).

*Transitional provision*

- 16 The amendment made by paragraph 11 above has no effect in relation to options granted before the day on which this Act is passed; and the effect of the amendments made by paragraphs 8 to 10 and 13 above is limited accordingly.
- 17 (1) A SIP, SAYE option scheme or CSOP scheme approved before the day on which this Act is passed has effect with any modifications needed to reflect the amendments made by this Part of this Schedule.
- (2) In relation to any shares awarded under a SIP before that day which are subject to provision for forfeiture, that provision has effect with any modifications needed to reflect the amendment made by paragraph 3 above.
- (3) Because of paragraphs 48 and 58 below, that amendment is not relevant to shares awarded under a SIP on or after that day.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2013, PART 1.