

*Status: Point in time view as at 21/07/2008. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2002, Paragraph 34. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 16

#### COMMUNITY INVESTMENT TAX RELIEF

##### **Modifications etc. (not altering text)**

- C1** Sch. 16 modified by 2005 c. 7, s. 54A (as inserted (10.7.2008) by [The Alternative Finance Arrangements \(Community Investment Tax Relief\) Order 2008 \(S.I. 2008/1821\)](#), arts. 1, 2)

#### **PART 6**

##### WITHDRAWAL OF RELIEF

###### *Aggregation of receipts of insignificant value*

- 34 (1) Where—
- (a) value is received (“the relevant receipt”) by the investor from the CDFI at any time during the period of restriction relating to the investment,
  - (b) the investor has received from the CDFI one or more receipts of insignificant value at a time or times during that period but not later than the time of the relevant receipt, and
  - (c) the aggregate amount of the value of the receipts within paragraphs (a) and (b) is not an amount of insignificant value,
- the investor shall be treated for the purposes of this Schedule as if the relevant receipt had been a receipt of an amount of value equal to that aggregate amount.
- For this purpose a receipt does not fall within paragraph (b) if the whole or any part of it has previously been aggregated under this sub-paragraph.
- (2) For the purposes of this paragraph “an amount of insignificant value” means an amount of value which—
    - (a) does not exceed £1,000, or
    - (b) if it exceeds that amount, is insignificant in relation to the relevant amount.
  - (3) Where the investment consists of a loan, the relevant amount for the purposes of sub-paragraph (2) is—
    - (a) if the relevant receipt is received in the first or second year of the period of restriction, the average capital balance of the loan for the second year of that period, and
    - (b) if the relevant receipt is received in a later year, the average capital balance of the loan for the year in question.
  - (4) For the purposes of sub-paragraph (3)—

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- (a) the average capital balance of the loan for a year is the mean of the daily balances of capital outstanding during the year, and
  - (b) the relevant receipt and any receipts within sub-paragraph (1)(b) shall be disregarded when calculating the average capital balance for the year in question.
- (5) Where the investment consists of securities or shares, the relevant amount for the purposes of sub-paragraph (2) is—
- (a) if the relevant receipt is received in the first year of the period of restriction, the amount subscribed for the securities or shares, and
  - (b) in any other case, the amount subscribed for such of the securities or shares as—
    - (i) are held by the investor at the time the relevant receipt is received, and
    - (ii) have been held by [<sup>F1</sup>the investor], as sole beneficial owner, continuously since the investment was made.

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**Textual Amendments**

- F1** Words in Sch. 16 para. 34(5)(b)(ii) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 419\(20\)](#) (with [Sch. 2](#))
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**Commencement Information**

- I1** Sch. 16 para. 34 in force at 23.1.2003 by [S.I. 2003/88](#), [arts. 2, 3](#)

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