



Income Tax Act 2007

2007 CHAPTER 3

PART 7

COMMUNITY INVESTMENT TAX RELIEF

CHAPTER 6

WITHDRAWAL OR REDUCTION OF CITR

Receipts of value

368 Value received if there is more than one investment

- (1) This section applies if—
- (a) the investor makes two or more investments in the CDFI,
 - (b) the investor is eligible for and claims CITR in respect of those investments, and
 - (c) the investor receives value (other than value within section 366(1)(a)) which falls within the 6 year periods relating to two or more of those investments.
- (2) Sections 363, 364, 365 and 369 have effect in relation to each investment referred to in subsection (1)(c) as if the amount of the value received were reduced by multiplying it by the fraction—

$$\frac{A}{B}$$

where—

- (a) A is the appropriate amount in respect of the investment in question, and
- (b) B is the sum of that amount and the appropriate amount or amounts in respect of the other investment or investments.

Status: This is the original version (as it was originally enacted).

- (3) If the investment consists of a loan, the appropriate amount for the purposes of subsection (2) is—
- (a) if the value is received in the first or second year of the 6 year period, the average capital balance of the loan for the second year of that period, and
 - (b) if the value is received in a later year, the average capital balance of the loan for the year in question.
- (4) For the purposes of subsection (3)—
- (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 receipt of value is ignored when calculating the average capital balance for the year in question.
- (5) If the investment consists of securities or shares, the appropriate amount for the purposes of subsection (2) is—
- (a) if the value is received in the first year of the 6 year period, 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 value is received, and
 - (ii) have been held by the investor, as sole beneficial owner, continuously since the investment was made.