

Status: Point in time view as at 01/04/2010.

Changes to legislation: Finance Act 1994, SCHEDULE 15 is up to date with all changes known to be in force on or before 06 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

SCHEDULES

SCHEDULE 15

Section 137.

ENTERPRISE INVESTMENT SCHEME

Amendments of the Taxes Act 1988

F1₁

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 2](#) (with [Sch. 2](#))

F1₂

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 2](#) (with [Sch. 2](#))

F1₃

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Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F17}

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F18}

Textual Amendments

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^{F19}

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F110}

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F111}

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F112}

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F113}

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F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F1}14

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F1}15

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F1}16

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F1}17

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F1}18

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F1}19

Textual Amendments

F1 Sch. 15 paras. 1-19 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

^{F2}20

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Textual Amendments

F2 Sch. 15 para. 20 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 1** (with [Sch. 2](#))

F321

Textual Amendments

F3 Sch. 15 paras. 21-27 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

F322

Textual Amendments

F3 Sch. 15 paras. 21-27 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

F323

Textual Amendments

F3 Sch. 15 paras. 21-27 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

F324

Textual Amendments

F3 Sch. 15 paras. 21-27 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

F325

Textual Amendments

F3 Sch. 15 paras. 21-27 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

F326

Textual Amendments

F3 Sch. 15 paras. 21-27 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 2** (with [Sch. 2](#))

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Textual Amendments

- F3** Sch. 15 paras. 21-27 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 2](#) (with [Sch. 2](#))

Amendments of the Taxation of Chargeable Gains Act 1992

- 28 The ^{M1}Taxation of Chargeable Gains Act 1992 shall be amended as follows:

Marginal Citations

- M1** 1992 c. 12.

- 29 In section 150 (business expansion schemes), at the end of subsection (1) there is inserted “ and references in this section to Chapter III of Part VII of the Taxes Act or any provision of that Chapter are to that Chapter or provision as it applies in relation to shares issued before 1st January 1994 ”.

- 30 After that section there is inserted—

“150A Enterprise investment scheme.

- (1) For the purpose of determining the gain or loss on any disposal of eligible shares by an individual where—

- (a) an amount of relief is attributable to the shares, and
(b) apart from this subsection there would be a loss,

the consideration given by him for the shares shall be treated as reduced by the amount of the relief.

- (2) Subject to subsection (3) below, if on any disposal of eligible shares by an individual after the end of the period referred to in section 312(1A)(a) of the Taxes Act where an amount of relief is attributable to the shares, there would (apart from this subsection) be a gain, the gain shall not be a chargeable gain.

- (3) Where—

- (a) an individual’s liability to income tax has been reduced (or treated by virtue of section 304 of the Taxes Act (husband and wife) as reduced) for any year of assessment under section 289A of that Act in respect of any issue of shares, and
(b) the amount of the reduction (“A”) is less than the amount (“B”) which is equal to tax at the lower rate for that year on the amount subscribed for the issue,

then, if there is a disposal of the shares on which there is a gain, subsection (2) above shall apply only to so much of the gain as is found by multiplying it by the fraction—

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

- (4) Any question as to—

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- (a) which of any shares issued to a person at different times a disposal relates, being shares to which relief is attributable, or
 - (b) whether a disposal relates to shares to which relief is attributable or to other shares,
- shall for the purposes of capital gains tax be determined as for the purposes of section 299 of the Taxes Act; and Chapter I of this Part shall have effect subject to the foregoing provisions of this subsection.
- (5) Sections 104, 105 and 107 shall not apply to shares to which relief is attributable.
- (6) Where—
- (a) an individual holds shares which form part of the ordinary share capital of a company, and
 - (b) relief is attributable to some of the shares but not others,
- then, if there is within the meaning of section 126 a reorganisation affecting those shares, section 127 shall apply (subject to the following provisions of this section) separately to the shares to which relief is attributable and to the other shares (so that shares of each kind are treated as a separate holding of original shares and identified with a separate new holding).
- (7) Where—
- (a) an individual holds shares (“the existing holding”) which form part of the ordinary share capital of a company,
 - (b) there is, by virtue of any such allotment for payment as is mentioned in section 126(2)(a), a reorganisation affecting the existing holding, and
 - (c) immediately following the reorganisation, relief is attributable to the existing holding or the allotted shares,
- sections 127 to 130 shall not apply in relation to the existing holding.
- (8) Sections 135 and 136 shall not apply in respect of shares to which relief is attributable.
- (9) Where the relief attributable to any shares is reduced by virtue of section 305(2) of the Taxes Act—
- (a) the sums allowable as deductions from the consideration in the computation, for the purposes of capital gains tax, of the gain or loss accruing to an individual on the disposal of any of the allotted shares or debentures shall be taken to include the amount of the reduction apportioned between the allotted shares or (as the case may be) debentures in such a way as appears to the inspector, or on appeal to the Commissioners concerned, to be just and reasonable, and
 - (b) the sums so allowable on the disposal (in circumstances in which the preceding provisions of this section do not apply) of any of the shares referred to in section 305(1)(a) shall be taken to be reduced by the amount mentioned in paragraph (a) above, similarly apportioned between those shares.
- (10) There shall be made all such adjustments of capital gains tax, whether by way of assessment or by way of discharge or repayment of tax, as may be required in consequence of the relief being given or withdrawn.

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- (11) Chapter III of Part VII of the Taxes Act (enterprise investment scheme) applies for the purposes of this section to determine whether relief is attributable to any shares and, if so, the amount of relief so attributable; and “eligible shares” has the same meaning as in that Chapter.
- (12) References in this section to Chapter III of Part VII of the Taxes Act or any provision of that Chapter are to that Chapter or provision as it applies in relation to shares issued on or after 1st January 1994”.
- 31 At the end of section 164M of that Act (exclusion of double relief) there is inserted “ but the reference in this section to that Chapter is to that Chapter as it applies in relation to shares issued before 1st January 1994 ”.
- 32 (1) After that section there is inserted—
- “164MA Exclusion of double relief**
- If a person makes a claim for relief under Chapter III of Part VII of the Taxes Act (enterprise investment scheme) in respect of any shares, those shares shall not be, or be treated as ever having been, eligible shares”.
- (2) This paragraph has effect in relation to shares issued on or after 1st January 1994.
- 33 In section 164N(1), in the definition of “eligible shares”, for “and 164M” there is substituted “ 164M and 164MA ”.
- 34 In section 231(1)(d), “(business expansion scheme)” is omitted.

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