

## SCHEDULES

### SCHEDULE 12

#### EIS AND VCTS: MEANING OF QUALIFYING TRADE

##### *New exclusions for the enterprise investment scheme*

- 1 (1) In subsection (2) of section 297 of the Taxes Act 1988 (activities excluded from qualifying trade), the following paragraphs shall be inserted after paragraph (f)—
- “(fa) property development;
  - (fb) farming or market gardening;
  - (fc) holding, managing or occupying woodlands, any other forestry activities or timber production;
  - (fd) operating or managing hotels or comparable establishments or managing property used as an hotel or comparable establishment;
  - (fe) operating or managing nursing homes or residential care homes, or managing property used as a nursing home or residential care home;”.
- (2) In paragraph (g) of that subsection (providing support for the carrying on of excluded activities), for “(f)” there shall be substituted “(fe)”.
- (3) After subsection (3) of that section there shall be inserted the following subsection—
- “(3A) For the purposes of this Chapter the activities of a person shall not be taken to fall within paragraph (fd) or (fe) of subsection (2) above except where that person has an estate or interest in, or is in occupation of, the hotels or comparable establishments or, as the case may be, the nursing homes or residential care homes.”