

Status: Point in time view as at 06/04/2005. This version of this provision has been superseded.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2002, Paragraph 19. (See end of Document for details)

SCHEDULES

SCHEDULE 16 **U.K.**

COMMUNITY INVESTMENT TAX RELIEF

PART 5 U.K.

FORM OF RELIEF

Individual investors

- 19 (1) This paragraph applies where the investor is—
- (a) an individual, and
 - (b) eligible for relief in respect of the investment (see paragraph 1(1)).
- (2) Where the investor makes a claim in respect of a loan, securities or shares for a relevant tax year in accordance with this Part, the amount of his liability for that year to income tax on his total income shall be reduced by the smaller of—
- (a) 5% of the invested amount in respect of that loan or those securities or shares for the year, and
 - (b) the amount which reduces his liability to zero.
- (3) For this purpose the “relevant” tax years are—
- (a) the tax year in which the investment date falls, and
 - (b) each of the four subsequent tax years.
- (4) The investor is entitled to make a claim for relief for a relevant tax year if—
- (a) it appears to him that the conditions for the relief are for the time being satisfied, and
 - (b) he has received a tax relief certificate (see paragraph 12) relating to the investment from the CDFI,
- but no claim may be made before the end of the tax year to which it relates.
- (5) Sub-paragraph (4) is subject to the following provisions—
- (a) paragraph 22 (loans: no claim after disposal or excessive repayments or receipts of value);
 - (b) paragraph 23 (securities or shares: no claim after disposal or excessive receipts of value);
 - (c) paragraph 24 (loss of accreditation by CDFI).
- (6) In determining for the purposes of sub-paragraph (2) the amount of income tax to which the investor would be liable apart from this paragraph, no account shall be taken of—
- (a) any income tax reduction under Chapter 1 of Part 7 of the Taxes Act 1988 or under section 347B of that Act;

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- (b) any income tax reduction under section 353(1A) of that Act;
- (c) any relief by way of a reduction of liability to tax which is given in accordance with any arrangements having effect by virtue of section 788, or by way of a credit under section 790(1), of that Act;
- (d) any tax at the basic rate on so much of that person's income as is income the income tax on which he is entitled to charge against any other person or to deduct, retain or satisfy out of any payment.

Commencement Information

II Sch. 16 para. 19 in force at 23.1.2003 by [S.I. 2003/88](#), [arts. 2, 3](#)

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