



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 4

#### LOSS RELIEF

### CHAPTER 6

#### LOSSES ON DISPOSAL OF SHARES

##### *Shares to which EIS relief is not attributable*

#### **134 Qualifying trading companies**

- (1) In relation to shares to which EIS relief is not attributable (see section 131(2)(b)), a qualifying trading company is a company which meets each of conditions A to D.
- (2) Condition A is that the company either—
  - (a) meets each of the following requirements on the date of the disposal—
    - (i) the trading requirement (see section 137),
    - (ii) the control and independence requirement (see section 139),
    - (iii) the qualifying subsidiaries requirement (see section 140), and
    - (iv) the property managing subsidiaries requirement (see section 141), or
  - (b) has ceased to meet any of those requirements at a time which is not more than 3 years before that date and has not since that time been an excluded company, an investment company or a trading company.
- (3) Condition B is that the company either—
  - (a) has met each of the requirements mentioned in condition A for a continuous period of 6 years ending on that date or at that time, or
  - (b) has met each of those requirements for a shorter continuous period ending on that date or at that time and has not before the beginning of that period been an excluded company, an investment company or a trading company.

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*Status: Point in time view as at 06/04/2007. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Income Tax Act 2007, Section 134. (See end of Document for details)*

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- (4) Condition C is that the company—
- (a) met the gross assets requirement (see section 142) both immediately before and immediately after the issue of the shares in respect of which the share loss relief is claimed, and
  - (b) met the unquoted status requirement (see section 143) at the relevant time within the meaning of that section.
- (5) Condition D is that the company has carried on its business wholly or mainly in the United Kingdom throughout the period—
- (a) beginning with the incorporation of the company or, if later, 12 months before the shares in question were issued, and
  - (b) ending with the date of the disposal.

**Status:**

Point in time view as at 06/04/2007. This version of this provision has been superseded.

**Changes to legislation:**

There are currently no known outstanding effects for the Income Tax Act 2007, Section 134.