



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 5

#### ENTERPRISE INVESTMENT SCHEME

### CHAPTER 6

#### WITHDRAWAL OR REDUCTION OF EIS RELIEF

##### *Disposals*

#### **210 Cases where maximum EIS relief not obtained**

- (1) If the investor's liability to income tax is reduced for any tax year in respect of any issue of shares and—
- (a) the amount of the reduction ("A"), is less than
  - (b) the amount ("B") which is equal to tax at the savings rate for that year on the amount on which the investor claims EIS relief in respect of the shares,
- section 209(3) has effect in relation to a disposal of any of the shares as if the amount or value referred to as "R" were reduced by multiplying it by the fraction—

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

- (2) If section 158(1) and (2) applies in the case of any issue of shares as if part of the issue had been issued in a previous tax year, subsection (1) has effect as if that part

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**Status:** Point in time view as at 06/04/2007. This version of this provision has been superseded.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 210. (See end of Document for details)

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and the remainder were separate issues of shares (and that part had been issued on a day in the previous tax year).

- (3) If the amount of EIS relief attributable to any of the relevant shares has been reduced before the EIS relief was obtained, the amount referred to in subsection (1) as A is to be treated for the purposes of that subsection as the amount that it would have been without that reduction.
- (4) Subsection (3) does not apply to a reduction of EIS relief by virtue of section 201(4) (attribution of EIS relief if there is a corresponding issue of bonus shares).

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**Changes to legislation:**

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