



Income Tax Act 2007

2007 CHAPTER 3

PART 7

COMMUNITY INVESTMENT TAX RELIEF

CHAPTER 3

QUALIFYING INVESTMENTS

349 No pre-arranged protection against risks

- (1) Any arrangements—
 - (a) under which the investment is made, or
 - (b) made, before the investor makes the investment, in relation to or in connection with the making of the investment,must not include excluded arrangements.
- (2) For the purposes of subsection (1) “excluded arrangements”—
 - (a) means arrangements the main purpose or one of the main purposes of which is (by means of any insurance, indemnity or guarantee or otherwise) to provide partial or complete protection for the investor against what would otherwise be the risks attached to making the investment, but
 - (b) does not include any arrangements which are confined to the provision for the investor of any protection against those risks which might reasonably be expected to be provided for commercial reasons if the investment were made in the course of a business of banking.
- (3) For the purposes of this section “arrangements” includes any scheme, agreement or understanding, whether or not legally enforceable.