



Income Tax Act 2007

2007 CHAPTER 3

PART 7

COMMUNITY INVESTMENT TAX RELIEF

CHAPTER 6

WITHDRAWAL OR REDUCTION OF CITR

Receipts of value

365 Receipts of insignificant value to be added together

- (1) This section applies if—
 - (a) value is received (“the relevant receipt”) by the investor from the CDFI at any time during the 6 year period relating to the investment,
 - (b) the investor has received from the CDFI one or more receipts of insignificant value at a time or times—
 - (i) during that period, but
 - (ii) not later than the time of the relevant receipt, and
 - (c) the total amount of the value of the receipts within paragraph (a) and (b) is not an amount of insignificant value.
- (2) The investor is treated for the purposes of this Part as if the relevant receipt had been a receipt of an amount of value equal to that total amount.
- (3) A receipt does not fall within subsection (1)(b) if the whole or any part of it has previously formed part of a total amount falling within subsection (1)(c).
- (4) For the purposes of this section “an amount of insignificant value” means an amount of value which—
 - (a) is not more than £1,000, or

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Changes to legislation: There are currently no known outstanding effects for the Income Tax Act 2007, Section 365. (See end of Document for details)

- (b) if it is more than £1,000, is insignificant in relation to the relevant amount.
- (5) If the investment consists of a loan, the relevant amount for the purposes of subsection (4) is—
- (a) if the relevant receipt is received in the first or second year of the 6 year period, the average capital balance of the loan for the second year of that period, and
 - (b) if the relevant receipt is received in a later year, the average capital balance of the loan for the year in question.
- (6) For the purposes of subsection (5)—
- (a) the average capital balance of the loan for a year is the mean of the daily balances of capital outstanding during the year, and
 - (b) the relevant receipt and any receipts within subsection (1)(b) are ignored when calculating the average capital balance for the year in question.
- (7) If the investment consists of securities or shares, the relevant amount for the purposes of subsection (4) is—
- (a) if the relevant receipt is received in the first year of the 6 year period, the amount subscribed for the securities or shares, and
 - (b) in any other case, the amount subscribed for such of the securities or shares as—
 - (i) are held by the investor at the time the relevant receipt is received, and
 - (ii) have been held by the investor, as sole beneficial owner, continuously since the investment was made.
- [^{F1}(8) This section is subject to section 368 (value received if there is more than one investment).]

Textual Amendments

- F1** S. 365(8) inserted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 1 para. 517](#) (with [Sch. 2](#))

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