

EXPLANATORY NOTE

(This note is not part of the Order)

Schedules 16 and 17 to the Finance Act 2002 (“the Act”) provide for tax relief for investments made by individuals and companies in community development finance institutions which invest in enterprises for disadvantaged communities. The relief is called community investment tax relief.

Section 57(3) of the Act provides that Schedules 16 and 17 shall come into force on such day as the Treasury may by Order appoint. This Order appoints 23rd January 2003 as the day in question.

Section 57(4)(a) of the Act provides that, on and after that day, Schedule 16 shall have effect in relation to investments and claims made on or after such day as the Treasury may appoint, in the case of investments being a day not earlier than 17th April 2002. This Order appoints 17th April 2002 as the day in question in relation to investments and 23rd January 2003 in relation to claims.