

SCHEDULES

SCHEDULE 8

ENTERPRISE INVESTMENT SCHEME: QUALIFYING COMPANIES

Limit on relief for trading groups which let or operate ships

- 3 (1) In subsection (6) of section 290A (maximum sum eligible for relief in cases of trades involving the letting or operating of ships), for paragraphs (b) and (c) there shall be substituted “or
- (aa) in the case of a company falling within subsection (2)(aa) of that section—
 - (i) it satisfies the requirements of subsection (6A) below, and
 - (ii) each of its subsidiaries is a shipping company,”.
- (2) After that subsection there shall be inserted the following subsections—
- “(6A) A company satisfies the requirements of this subsection if, apart from purposes capable of having no significant effect (other than in relation to incidental matters) on the extent of its activities, the company exists wholly—
- (a) for the purpose of carrying on activities such as are mentioned in section 293(3D)(a) and (b); or
 - (b) for the purpose of carrying on one or more qualifying trades which or each of which is a trade to which subsection (7) below applies; or
 - (c) for any combination of the purposes mentioned in paragraphs (a) and (b) above.
- (6B) For the purposes of subsection (6) above a subsidiary of a company falling within section 293(2)(aa) is a shipping company if—
- (a) that subsidiary satisfies the requirements of subsection (6A) above, or
 - (b) it would satisfy those requirements if the reference in subsection (6A)(a) above to section 293(3D)(a) and (b) included a reference to section 293(3E)(a), or
 - (c) it has no profits for the purposes of corporation tax and no part of its business consists in the making of investments.”