



Income Tax Act 2007

2007 CHAPTER 3

[^{F1}PART 5B

TAX RELIEF FOR SOCIAL INVESTMENTS

CHAPTER 7

WITHDRAWAL OR REDUCTION OF SI RELIEF

Repayments etc of investments to other persons

[^{F1}257Q] **Maximum relief not obtained for share issue**

- (1) This section applies if section 257QJ(2) applies to SI relief attributable to shares held by the investor and—
- the amount of the reduction (“D”) in the investor's liability to income tax for any tax year in respect of the shares, is less than
 - the amount given by—

$$I \times R$$

where—

I is the amount on which the investor claims SI relief in respect of the investment, and

R is the SI rate for the tax year for which the SI relief was given.

- (2) Section 257QJ(3) has effect as if the amount referred to as A were reduced by multiplying it by the fraction—

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$$\frac{D}{I \times R}$$

- (3) If the amount of SI relief attributable to any of the shares has been reduced before the SI relief was obtained, the amount referred to in subsections (1) and (2) as D is to be treated for the purposes of those subsections as the amount it would have been without that reduction.
- (4) Subsection (3) does not apply to a reduction of SI relief by virtue of section 257N(5) (attribution of SI relief where there is a corresponding issue of bonus shares).]

Textual Amendments

F1 Pt. 5B inserted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 11 para. 1](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 24B inserted by [2023 c. 30 Sch. 2 para. 10\(3\)](#)
- s. 788(7) inserted by [2007 c. 29 Sch. 21 para. 161\(b\)](#) (The amending provision was repealed before coming into force.)