
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, Paragraph 5. (See end of Document for details)

SCHEDULES

SCHEDULE 16

VENTURE CAPITAL

PART 2

CORPORATE VENTURING SCHEME

Money raised by issue of shares

- 5 (1) In paragraph 36 (requirement that money raised is employed for purposes of a relevant trade), for sub-paragraph (1) substitute—

“(1) At least 80% of the money raised by the issuance of the relevant issue of shares must have been employed wholly for the purposes of a relevant trade not later than the time determined in accordance with sub-paragraph (1B).

(1A) All of the money so raised must have been so employed not later than 12 months after that time.

(1B) The time referred to in sub-paragraph (1) is—

- (a) the end of the period of 12 months beginning with the issue of the shares, or
- (b) where the relevant trade was not being carried on at the time the shares were issued, the end of the period of 12 months beginning when the issuing company or a subsidiary begins to carry on the relevant trade.

(1C) Sub-paragraphs (1) and (1A) are subject to sub-paragraph (5).”.

(2) In sub-paragraph (5) of that paragraph—

- (a) in paragraph (a) for “any of the money mentioned in sub-paragraph (1)” substitute “ any of the money raised by the issuance of the relevant issue of shares ”, and
- (b) for “the requirement of sub-paragraph (1)” substitute “ the requirement of sub-paragraph (1) does not apply and the requirement of sub-paragraph (1A) ”.

(3) The amendments made by this paragraph have effect—

- (a) in relation to shares issued on or after 7th March 2001, and
- (b) in respect of the application of Schedule 15 to the Finance Act 2000 (c. 17) (corporate venturing scheme) on or after 7th March 2001 in relation to shares—
 - (i) that were issued after 31st March 2000 but before 7th March 2001, and

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(ii) to which investment relief (within the meaning of that Schedule)
was attributable immediately before 7th March 2001.

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