



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 5

#### ENTERPRISE INVESTMENT SCHEME

### CHAPTER 7

#### WITHDRAWAL OR REDUCTION OF EIS RELIEF: PROCEDURE

##### *Assessments and appeals*

#### **235 Assessments for the withdrawal or reduction of EIS relief**

If any EIS relief which has been obtained falls to be withdrawn or reduced under Chapter 6, it must be withdrawn or reduced by the making of an assessment to income tax for the tax year for which the relief was obtained.

#### **236 Appeals against section 234(3)(b) notices**

- (1) For the purposes of the provisions of TMA 1970 relating to appeals, the giving of notice by an officer of Revenue and Customs under section 234(3)(b) is taken to be a decision disallowing a claim by the issuing company.
- (2) If any issue has been determined on an appeal brought by virtue of paragraph 1A(6) of Schedule 5B to TCGA 1992 (appeal against notice that shares never have been, or have ceased to be, eligible shares), the determination is conclusive for the purposes of any appeal brought by virtue of subsection (1) on which that issue arises.

#### **237 Time limits for assessments**

- (1) An officer of Revenue and Customs may not—

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*Status: This is the original version (as it was originally enacted).*

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- (a) make an assessment for withdrawing or reducing the EIS relief attributable to any of the relevant shares, or
  - (b) give a notice under section 234(3)(b),  
more than 6 years after the end of the relevant tax year.
- (2) In subsection (1) “the relevant tax year” means—
- (a) the tax year in which the time mentioned in section 175(3) (the use of money raised requirement) falls, or
  - (b) the tax year in which the event which causes the EIS relief to be withdrawn or reduced occurs,
- whichever is the later.
- (3) Subsection (1) is without prejudice to section 36 of TMA 1970 (fraudulent or negligent conduct).

### **238 Cases where assessment not to be made**

- (1) No assessment for withdrawing or reducing EIS relief in respect of shares issued to an individual may be made because of an event occurring after the individual’s death.
- (2) Subsection (3) applies if an individual has, by a disposal or disposals to which section 209(3) applies, disposed of all shares which—
- (a) have been issued to the individual by the issuing company, and
  - (b) are shares—
    - (i) to which EIS relief is attributable, or
    - (ii) in relation to which period A has not come to an end.
- (3) No assessment for withdrawing or reducing EIS relief in respect of those shares may be made because of any subsequent event unless the event occurs at a time when the individual is connected with the company within the meaning of section 166.