



Income Tax Act 2007

2007 CHAPTER 3

[^{F1}PART 5B

TAX RELIEF FOR SOCIAL INVESTMENTS

CHAPTER 5

ATTRIBUTION OF RELIEF

[^{F1}257N Attribution of SI relief to investments

- (1) References in this Part, in relation to any individual, to the SI relief attributable to any investment are to be read as references to any reduction made in the individual's liability to income tax that is attributed to that investment in accordance with this section.

This is subject to the provisions of this Part providing for the withdrawal or reduction of SI relief.

- (2) If an individual's liability to income tax is reduced under this Part in any tax year, then—
- (a) if the reduction is obtained because of a single distinct investment, the amount of the reduction is attributed to that investment, and
 - (b) if the reduction is obtained because of two or more distinct investments, the amount of the reduction—
 - (i) is apportioned between the distinct investments in the same proportions as the amounts claimed by the individual in respect of each of those investments, and
 - (ii) is attributed to those investments accordingly.
- (3) In this section “distinct investment” means an investment, made on a single day, in—
- (a) a single share or single qualifying debt investment, or

Changes to legislation: There are currently no known outstanding effects for the Income Tax Act 2007, Section 257N. (See end of Document for details)

- (b) two or more shares, or two or more qualifying debt investments, where the shares or qualifying debt investments are in the same social enterprise and of the same class.
- (4) If under this section an amount of any reduction in income tax is attributed to a distinct investment—
- (a) in the case of a distinct investment of the kind mentioned in subsection (3) (a), that amount is attributed to the share, or qualifying debt investment, concerned, and
 - (b) in the case of a distinct investment of the kind mentioned in subsection (3) (b), a proportionate part of that amount is attributed to each of the shares, or qualifying debt investments, concerned.
- (5) If corresponding bonus shares are issued to an individual in respect of any shares (“the original shares”) to which SI relief is attributed—
- (a) a proportionate part of the total amount attributed to the original shares immediately before the bonus shares are issued is attributed to each of the shares in the holding comprising the original shares and the bonus shares, and
 - (b) after the issue of the bonus shares, this Part applies as if those shares had been issued to the individual on the same day as the original shares.
- (6) In subsection (5) “corresponding bonus shares” means bonus shares which are in the same company, of the same class, and carry the same rights, as the original shares.
- (7) If section 257JA(1) and (2) apply in the case of any investment as if part of the amount invested had been invested in a previous tax year, this section has effect as if that part and the remainder had been invested by separate investments (and that part had been invested by an investment made on a day in the previous tax year).
- (8) For the purposes of this section, shares or other investments in a company are not treated as being of the same class unless they would be so treated if dealt in on a recognised stock exchange.]

Textual Amendments

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

Changes to legislation:

There are currently no known outstanding effects for the Income Tax Act 2007, Section 257N.