



Finance Act 2016

2016 CHAPTER 24

PART 1

INCOME TAX

Reliefs: enterprise investment scheme, venture capital trusts etc

28 EIS, SEIS and VCTs: exclusion of energy generation

- (1) In section 192(1) of ITA 2007 (meaning of “excluded activities”: EIS and SEIS), for paragraphs (ka) to (kc) substitute—
 - “(ka) generating or exporting electricity or making electricity generating capacity available,
 - (kb) generating heat,
 - (kc) generating any form of energy not within paragraph (ka) or (kb),
 - (kd) producing gas or fuel, and”.
- (2) In section 303(1) of ITA 2007 (meaning of “excluded activities”: VCTs), for paragraphs (ka) to (kc) substitute—
 - “(ka) generating or exporting electricity or making electricity generating capacity available,
 - (kb) generating heat,
 - (kc) generating any form of energy not within paragraph (ka) or (kb),
 - (kd) producing gas or fuel, and”.
- (3) In consequence of subsection (1), ITA 2007 is amended as follows—
 - (a) in section 192(2)—
 - (i) for paragraph (g) substitute “and
 - (g) section 198A (export of electricity).”;
 - (ii) omit paragraph (h);
 - (b) in section 198A—
 - (i) in the heading, omit “subsidised generation or”;

Changes to legislation: Finance Act 2016, Section 28 is up to date with all changes known to be in force on or before 11 May 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

- (ii) omit subsections (3) to (9);
 - (c) omit section 198B.
- (4) In consequence of subsection (2), ITA 2007 is amended as follows—
 - (a) in section 303(2)—
 - (i) for paragraph (g) substitute “and
 - (g) section 309A (export of electricity).”;
 - (ii) omit paragraph (h);
 - (b) in section 309A—
 - (i) in the heading, omit “subsidised generation or”;
 - (ii) omit subsections (3) to (9);
 - (c) omit section 309B.
- (5) The amendments made by subsections (1) and (3) have effect in relation to shares issued on or after 6 April 2016.
- (6) The amendments made by subsections (2) and (4) have effect in relation to relevant holdings issued on or after 6 April 2016.

Changes to legislation:

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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):

- Sch. 19 para. 12(5)(b) inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(c\)](#)
- Sch. 19 para. 12(5)(a) word inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(b\)](#)
- Sch. 19 para. 51(8)(b) words inserted by [2017 c. 32 Sch. 14 para. 48\(2\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(a\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(b\)](#)
- Sch. 19 para. 12(5)(a) words renumbered as Sch. 19 para. 12(5)(a) by [2017 c. 32 Sch. 14 para. 49\(2\)\(a\)](#)
- Sch. 19 para. 58(1) words substituted by [2017 c. 32 Sch. 14 para. 48\(5\)](#)
- Sch. 20 para. 1(4)(e) inserted by [2021 c. 26 Sch. 27 para. 47\(2\)](#)
- Sch. 20 para. 3(3)(d) and word inserted by [2021 c. 26 Sch. 27 para. 47\(3\)\(b\)](#)
- Sch. 20 para. 5(5) inserted by [2021 c. 26 Sch. 27 para. 47\(5\)](#)
- Sch. 22 para. 2(4B) inserted by [2021 c. 26 Sch. 27 para. 48\(2\)\(c\)](#)
- Sch. 22 para. 3(4A) inserted by [2021 c. 26 Sch. 27 para. 48\(3\)](#)