
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2018, Paragraph 6. (See end of Document for details)

SCHEDULES

SCHEDULE 4

EIS AND VCT RELIEFS: KNOWLEDGE-INTENSIVE COMPANIES

Initial investing period: permitted age of knowledge-intensive company

6 After section 252A of ITA 2007 insert—

“252B Knowledge-intensive company reaching turnover of £200,000

- (1) This section has effect for the purposes of section 175A(2)(a)(ii) (alternative initial investing period in case of knowledge-intensive company).
- (2) Where—
 - (a) the annual turnover of the issuing company in relation to an accounting period (see subsection (3)) is £200,000 or more, and
 - (b) the annual turnover for the company in relation to each previous accounting period is less than £200,000,the company is treated as reaching an annual turnover of £200,000 or more by reference to the specified date (see subsection (4)).
- (3) The annual turnover in relation to an accounting period is—
 - (a) the turnover for that accounting period (if the accounting period is for 12 months), or
 - (b) the turnover for the period of 12 months ending when that accounting period ends (if not).
- (4) The specified date is—
 - (a) in the case of an accounting period of 12 months or less, the last day of that accounting period;
 - (b) in the case of an accounting period of more than 12 months, the last day of the period of 12 months beginning when that accounting period begins.
- (5) The turnover of the issuing company for a period (“the period”) is treated for the purposes of this section as including the relevant turnover of any company that is a member of the same group as the issuing company during the whole or any part of the period (a “group company”).
- (6) The relevant turnover of a group company is—
 - (a) its turnover for the period, if the group company is a member of the same group as the issuing company for the whole of the period;
 - (b) if the group company is a member of the same group as the issuing company for part of the period, its turnover for that part of the period.

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- (7) Any necessary apportionments of turnover are to be made, on a time basis according to the respective lengths of the periods in question, for the purposes of subsections (3)(b) and (6).
- (8) In this section “turnover” has the meaning given by section 474(1) of the Companies Act 2006 and is to be determined by reference to—
- (a) the accounts of the company, and
 - (b) amounts recognised for accounting purposes.”

Commencement Information

- II** [Sch. 4 para. 6](#) in force at 6.4.2018 for the purposes of the amendments made by that paragraph by [S.I. 2018/931, reg. 3\(a\)](#)

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