

Nunn Hayward LLP Fact Sheet

Share Investment Reliefs (Updated for Budget 2016)

This factsheet summarises and compares the conditions as well as the tax benefits to the investor of the following reliefs:

- Seed Enterprise Investment Scheme - (SEIS)
- Enterprise Investment Scheme - (EIS)
- Entrepreneurs Relief - (ER)
- Investors Relief - (IR) – Introduced by the 2016 Budget

The table below summaries the main conditions and tax benefits of each.

	SEIS	EIS	ER	IR
Maximum investment in a tax year	100,000	1,000,000	No Limit	No Limit
Income tax relief available	50%	30%	Nil	Nil
CGT holdover relief on amount subscribed	Up to 50% of investment	No/Yes Limit	Nil	Nil
CGT rate on disposal	0%	0%	10% (A)	10% (A)
Income Tax/CGT loss relief	Y	Y	N	N
Ownership	≤30%	≤30%	≥5% (B)	No Limit
Directorship	Y (C)	Y (D)	Y (E)	Maybe (F)
Minimum holding period	3 Years	3 Years	12 Months	3 Years

Notes:

- (A) Only available on the first £10m of the gain (Lifetime limit)
- (B) Can hold <5% if shares acquired under EMI share option scheme and all other conditions met
- (C) Directorship permitted in certain circumstances. General employment is not permitted within 3 years of subscription
- (D) Must not have been previously employed or connected with the company in which investment is made but can be appointed a formal Director after initial subscription
- (E) Must be an employee or director or other office holder of company to be eligible for relief
- (F) Directorship permitted if unremunerated and individual seen to not be an 'relevant employee'

For a more detailed summary of the key conditions and tax benefits for each of the above please review/request the corresponding factsheets or follow the appropriate links below:

- [Seed Enterprise Investment Scheme](#) (SEIS)
- [Enterprise Investment Scheme](#) (EIS)
- [Entrepreneurs Relief](#) (ER)
- [Investors Relief](#) (IR)

Next Steps

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