



# 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”;

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- (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.

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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\(3\)](#)