



Income Tax Act 2007

2007 CHAPTER 3

[^{F1}PART 5B

TAX RELIEF FOR SOCIAL INVESTMENTS

[^{F1}CHAPTER 6

CLAIMS FOR RELIEF

Textual Amendments

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

257P Time for making claims for SI relief

- (1) A claim for SI relief in respect of the amount invested may be made—
 - (a) not earlier than the time the requirement in section 257MM(2) (chosen trade must have been carried on for 4 months) is first met, and
 - (b) not later than the fifth anniversary of the normal self-assessment filing date for the tax year in which the investment is made.
- (2) If the social enterprise is an accredited social impact contractor, subsection (1) applies with the omission of its paragraph (a).
- (3) If section 257JA(1) and (2) apply as if part of the amount invested had been invested in a previous tax year, subsection (1) 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).

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Modifications etc. (not altering text)

- C1** S. 257P(1) applied (with modifications) by 1992 c. 12, Sch. 8B para. 8(1) (as inserted (17.7.2014) by Finance Act 2014 (c. 26), [Sch. 12 para. 3](#))

257PA Entitlement to claim

- (1) The investor is entitled to make a claim for SI relief in respect of the amount invested if the investor has received from the social enterprise a compliance certificate in respect of that amount.
- (2) For the purposes of PAYE regulations, no regard is to be had to SI relief unless a claim for it has been duly made.
- (3) No application may be under section 55(3) or (4) of TMA 1970 (application for postponement of payment of tax pending appeal) on the ground that the investor is entitled to SI relief unless a claim for the relief has been duly made by the investor.

Modifications etc. (not altering text)

- C2** S. 257PA(1) applied (with modifications) by 1992 c. 12, Sch. 8B para. 8(1) (as inserted (17.7.2014) by Finance Act 2014 (c. 26), [Sch. 12 para. 3](#))

257PB Compliance statements

- (1) For the purposes of this Part, a “compliance statement” in respect of the investment is a statement by the social enterprise to the effect that, except so far as they fall to be met by or in relation to the individual, the requirements for SI relief—
 - (a) are for the time being met in relation to the investment (or in relation to investments that include the investment), and
 - (b) have been so met at all times since the investment was made.
- (2) A compliance statement must be in such form as the Commissioners for Her Majesty's Revenue and Customs may direct and must contain—
 - (a) such additional information as the Commissioners may reasonably require, including in particular information relating to the persons who have requested the issue of compliance certificates,
 - (b) a declaration that the statement is correct to the best of the social enterprise's knowledge and belief, and
 - (c) such other declarations as the Commissioners may reasonably require.
- (3) The social enterprise may not provide an officer of Revenue and Customs with a compliance statement in respect of the investment—
 - (a) before the requirement in section 257MM(2) (trade must have been carried for 4 months) is met, or
 - (b) later than 2 years after the end of the tax year in which the investment is made or, if that requirement is first met after the end of that tax year, later than 2 years after the requirement is first met.
- (4) If the social enterprise is an accredited social impact contractor, subsection (3) applies with the omission of its paragraph (a).

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Modifications etc. (not altering text)

C3 Ss. 257PB-257PD applied (with modifications) by 1992 c. 12, Sch. 8B para. 8(1) (as inserted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 12 para. 3](#))

257PC Compliance certificates

- (1) For the purposes of this Chapter, a “compliance certificate” is a certificate which—
 - (a) is issued by the social enterprise in respect of the investment,
 - (b) states that, except so far as they fall to be met by or in relation to the individual, the requirements for SI relief are for the time being met in relation to the investment, and
 - (c) is in such form as the Commissioners for Her Majesty's Revenue and Customs may direct.
- (2) Before issuing a compliance certificate, the social enterprise must provide an officer of Revenue and Customs with a compliance statement in respect of the investment.
- (3) The social enterprise must not issue a compliance certificate without the authority of an officer of Revenue and Customs.
- (4) If the social enterprise, or a person connected with the social enterprise, has under section 257SF given a notice to an officer of Revenue and Customs that relates (whether or not exclusively) to the investment, a compliance certificate must not be issued unless the authority mentioned in subsection (3) of this section is given or renewed after receipt of the notice.
- (5) If—
 - (a) an officer of Revenue and Customs has been requested to give or renew an authority to issue a compliance certificate, and
 - (b) an officer of Revenue and Customs has decided whether or not to do so,an officer of Revenue and Customs must give notice of the decision to the social enterprise.
- (6) For the purposes of the provisions of TMA 1970 relating to appeals, the refusal of an officer of Revenue and Customs to authorise the issue of a compliance certificate is taken to be a decision disallowing a claim by the social enterprise.
- (7) In the case of requirements that cannot be met until a future time, references in this section to requirements being met for the time being are to nothing having occurred to prevent their being met.

Modifications etc. (not altering text)

C3 Ss. 257PB-257PD applied (with modifications) by 1992 c. 12, Sch. 8B para. 8(1) (as inserted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 12 para. 3](#))

257PD Penalties for fraudulent certificate or statement etc

The social enterprise is liable to a penalty not exceeding £3,000 if—

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- (a) it issues a compliance certificate, or provides a compliance statement, which is made fraudulently or negligently, or
- (b) it issues a compliance certificate in contravention of section 257PC(3) or (4).

Modifications etc. (not altering text)

C3 Ss. 257PB-257PD applied (with modifications) by 1992 c. 12, Sch. 8B para. 8(1) (as inserted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 12 para. 3](#))

257PE Power to amend Chapter

- (1) The Treasury may by order amend this Chapter.
- (2) An order under this section may include consequential, incidental or transitional provision or savings, including consequential amendments, repeals or revocations of provision made by or under an enactment (including this Act) whenever passed or made.
- (3) An order under this section may make different provision for different cases or purposes.
- (4) An order under this section may, in particular, make provision for persons to be liable to penalties whose amount, or maximum amount, does not exceed £3,000.]

Modifications etc. (not altering text)

C4 S. 257PE(2) modified by 1992 c. 12, Sch. 8B para. 8(2) (as inserted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 12 para. 3](#))

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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):

- s. 24B inserted by [2023 c. 30 Sch. 2 para. 10\(3\)](#)
- s. 788(7) inserted by [2007 c. 29 Sch. 21 para. 161\(b\)](#) (The amending provision was repealed before coming into force.)