



Income Tax Act 2007

2007 CHAPTER 3

PART 5

ENTERPRISE INVESTMENT SCHEME

CHAPTER 5

ATTRIBUTION OF AND CLAIMS FOR EIS RELIEF

Attribution

201 Attribution of EIS relief to shares

- (1) References in this Part, in relation to any individual, to the EIS relief attributable to any shares or issue of shares are to be read as references to any reduction made in the individual's liability to income tax that is attributed to those shares or that issue in accordance with this section.

This is subject to the provisions of Chapters 6 and 7 providing for the withdrawal or reduction of EIS relief.

- (2) If an individual's liability to income tax is reduced in any tax year, then—
- (a) if the reduction is obtained because of one issue of shares, the amount of the reduction is attributed to that issue, and
 - (b) if the reduction is obtained because of two or more issues of shares, the amount of the reduction—
 - (i) is apportioned between those issues in the same proportions as the amounts claimed by the individual in respect of each issue, and
 - (ii) is attributed to those issues accordingly.
- (3) If under this section an amount of any reduction of income tax is attributed to an issue of shares (“the original issue”) to an individual, a proportionate part of that amount is attributed to each share in respect of which the claim was made.

Changes to legislation: *There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)*

- (4) If corresponding bonus shares are issued to the individual in respect of any shares (“the original shares”) to which EIS relief is attributed—
- (a) a proportionate part of the total amount attributed to the original shares immediately before the bonus shares are issued is attributed to each of the shares in the holding comprising the original shares and the bonus shares, and
 - (b) after the issue of the bonus shares, this Part applies as if the original issue had included those shares.
- (5) In subsection (4) “corresponding bonus shares” means bonus shares which are in the same company, of the same class, and carry the same rights as the original shares.
- (6) If section 158(1) and (2) applies in the case of any issue of shares as if part of the issue had been issued in a previous tax year, this section has effect as if that part and the remainder were separate issues of shares (and that part had been issued on a day in the previous tax year).
- (7) If, at a time when EIS relief is attributable to, or to any part of, any issue of shares, the relief falls to be withdrawn or reduced under Chapters 6 and 7—
- (a) if it falls to be withdrawn, the relief attributable to each of the shares in question is reduced to nil, and
 - (b) if it falls to be reduced by any amount, the relief attributable to each of the shares in question is reduced by a proportionate part of that amount.

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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.)