



Income Tax Act 2007

2007 CHAPTER 3

[^{F1}PART 5B

TAX RELIEF FOR SOCIAL INVESTMENTS

CHAPTER 7

WITHDRAWAL OR REDUCTION OF SI RELIEF

Disposals

[^{F1}257R] Cases where maximum relief not obtained

(1) Subsection (2) applies if the investor's liability to income tax for any tax year is reduced under this Part in respect of the investment and—

- (a) the amount of the reduction (“D”), is less than
- (b) the amount given by—

$$A \times R$$

where—

A is the amount on which the investor claims SI relief in respect of the investment, and

R is the SI rate for that tax year.

(2) Section 257R(3) and (4) have effect as if the amount or value referred to as C were reduced by multiplying it by the fraction—

$$DA \times R$$

(3) If section 257JA(1) and (2) apply in the case of the investment as if part of it had been made in a previous tax year, subsections (1) and (2) of this section have effect as if

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](#)

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).

- (4) If the amount of SI relief attributable to the investment or any part of it has been reduced before SI relief was obtained, the amount referred to in subsections (1) and (2) as D is to be treated for the purposes of those subsections as the amount that it would have been without that reduction.
- (5) Subsection (4) does not apply to a reduction of SI relief by virtue of section 257N(5) (attribution of SI relief if there is a corresponding issue of bonus shares).]

Textual Amendments

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

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.

[View outstanding changes](#)

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.)