



HM Revenue & Customs

Enterprise Investment Scheme Compliance certificate

These instructions are for the company completing the compliance certificate.

You cannot issue this certificate to a subscriber unless you've received authority from HM Revenue and Customs (HMRC).

You need to have completed form 'Enterprise Investment Scheme: compliance statement (EIS1)' first, with details of the subscription, to get authorisation from HMRC.

This certificate should be signed by the company secretary or any person authorised by the company, or in the case of a company in liquidation, by the liquidator.

You are liable to a penalty if you issue a certificate fraudulently, or negligently, or issue a certificate without our authority. The penalty can be up to £3,000.

Separate certificates must be used for eligible shares issued on different dates or shares of different classes issued on the same day.

Full name and address of the person who subscribed for eligible shares

Name

Address

Postcode

The following eligible shares in the company named below were subscribed for by you and issued to you (or as directed by you).

Description of shares

Nominal value of each share

Number of shares issued

Amount subscribed

Date of issue of the shares DD MM YYYY

Termination date for these shares DD MM YYYY

You have received value from the company or a connected person amounting to

Unique investment reference (UIR) number

Knowledge-intensive company at the time of the share issue
Put 'X' in one box

Yes ☐ No ☐

I certify that the conditions of the scheme, other than those which you as an investor have to satisfy, are for the time being met for these shares.

Name of company representative

Capacity in which signed

Signature

Company name

Registered office address

Address

Postcode

Date DD MM YYYY

Please keep this certificate. If you claim relief, you may be asked to produce it.

Notes for claiming Income Tax relief and capital gains deferral relief

These notes will help you decide if you qualify for relief before making a claim. The issue of this certificate does not automatically mean you qualify for any relief.

You may wish to claim any or both of the following:

- Income Tax relief on the amount you subscribed for the shares
- deferral relief, which allows you to defer a chargeable gain which you have reinvested in these shares

Please note that this form cannot be used to claim capital gains disposal relief. Capital gains disposal relief may be available on a disposal of shares for which Income Tax relief has been claimed and allowed and not withdrawn.

Rules for both reliefs

You do not qualify for either relief if you:

- subscribed for the shares as part of a scheme or arrangement aimed at avoiding tax
- receive a loan which would not have been made, or would not have been made on the same terms, were it not for the investment in the shares
- have an option under which you can sell the shares

The Income Tax relief you get may be withdrawn or reduced, and any deferred gain will be revived (brought back into charge to Capital Gains Tax) if before the termination date on page 1:

- any of the above should happen
- the company loses its qualifying status
- you dispose of any of the shares within that period (whether by way of sale, gift or exchange)

A disposal of shares on or after the termination date will also cause any deferred gains to be revived.

You do not qualify for Income Tax relief if you:

- already held other shares in the company that were not a 'risk finance investment' or subscriber shares issued to you when these shares were issued (see part 5 of the Income Tax Act 2007, section 164A)
- are, or have been, 'connected with the company' (see part 5 of the Income Tax Act 2007, sections 163, 166, 167, 170 and 171)
- are disqualified as a previous owner of the company's trade (see part 5 of the Income Tax Act 2007, sections 232 and 233)

Receipt of value

Any Income Tax relief you can get is restricted or withdrawn if you, or an associate of yours, have received value from the company or any person connected with it.

This applies if value is received up to one year before the issue of the shares, and up to the termination date for those shares.

If you receive any value in the year before the issue of the shares you will not be entitled to deferral relief. If you receive any value after the shares are issued (and before the termination date) any deferred gains will be revived. In certain circumstances value can be ignored if it's 'insignificant' or if it's restored in full to the person who provided it.

If any event occurs before the termination date which causes Income Tax relief to be withdrawn or reduced or which causes deferred gains to be revived you must report it to us within 60 days.

Claiming Income Tax relief

There's a limit on the total amount on which you can claim relief for any one tax year of £2 million. However, any amount in excess of £1 million can only be for investments in knowledge-intensive companies.

The relief is normally due for the tax year (ending on 5 April) in which the shares are issued (see page 1 for the date of issue). But if you choose, you can treat some or all of the shares as issued in the previous year and claim relief in that previous year, subject to the maximum limit for the year.

You should make a claim for Income Tax relief on your tax return. But in some circumstances, see below, you should use the claim form on page 3.

If your shares were issued in the current tax year and you pay tax under PAYE, you can claim relief for that year now. Fill in the claim form on page 3 and send it to HMRC. If we send you a tax return after the end of the year, you will also have to enter details of the claim on that return.

If you want to claim relief for a previous tax year for which you either did not receive a tax return, or you received a return and you have already sent it in, fill in the claim form on page 3 and send it to HMRC. If the claim is made in time, it will be treated as amending the tax return.

In all other circumstances, you do not need to fill in this form, but:

- keep it until you receive your tax return
- in the appropriate box on the tax return, enter the total subscriptions on which you are claiming relief
- in the large box reserved for 'additional information' at the end of the tax return, enter the
 - unique investment reference (UIR)
 - name of the company invested in
 - amount of the subscription qualifying for relief
 - date of issue of the shares

Claiming deferral relief

You must use the claim form to make a claim for deferral relief. If your chargeable gain accrues in the current tax year and the shares were issued either in this year, or in a previous year, fill in the claim form and send it with your tax return after the end of the tax year.

You will need to enter the relevant chargeable gain(s) on page CG 1 and/or page CG 2 of the Capital gains summary pages (see the Capital gains summary notes) of your tax return. Go to www.gov.uk and search for 'Capital gains summary'.

If your chargeable gain accrued in a previous tax year, fill in the claim form and send it to us (along with your tax return if not already submitted).

Claims to both Income Tax relief and deferral relief

If you wish to claim both Income Tax relief and deferral relief on the same acquisition of shares, follow the notes on Income Tax relief in the first instance. Keep a copy of your claim form for your deferral relief claim if it's to be sent at a later date in accordance with the notes on deferral relief.

For detailed information, go to www.gov.uk and search for 'Enterprise Investment Scheme'.



Investor tax reference

Number of shares

National Insurance number

Type of shares

The claim(s) below relate to a subscription of

Date issued DD MM YYYY

For shares in (company)

Unique investment reference (UIR) number

Claim to EIS Income Tax relief

Please read the notes on page 2 before deciding whether to complete this part of the form.

I wish relief to be allowed in my PAYE coding.

☐

I am claiming relief for a year for which I have already sent in a tax return.

☐

The amount on which I am claiming relief is

for the year ended 5 April
being the year in which the shares were issued.

The amount on which I am claiming relief is

for the year ended 5 April
being the previous year – see page 2.

Claim to EIS deferral relief

Asset disposed of

Asset disposed of

Asset disposed of

Date of acquisition DD MM YYYY

Date of acquisition DD MM YYYY

Date of acquisition DD MM YYYY

Date of disposal

Date of disposal

Date of disposal

Chargeable gains before losses

Chargeable gains before losses

Chargeable gains before losses

Gain to be deferred

Gain to be deferred

Gain to be deferred



Declaration

I hold a EIS certificate for the shares which were authorised by HMRC. I claim relief as shown on page 3.
The details given in this claim are correct to the best of my knowledge and belief.

Name (use capital letters)

Signature

Full address (use capital letters)

Address
Postcode

Date DD MM YYYY

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