

VCT, EIS and SEIS Compared

The reliefs for Venture Capital Trusts (VCT), the Enterprise Investment Scheme (EIS) and Seed Enterprise Investment Scheme (SEIS) are similar in many respects, but there are some significant differences. The table below highlights the main reliefs. For further details see the factsheets for each type of investment.

	VCT	EIS	SEIS
Annual investment limit	£200,000	£1 million *	£100,000
Income tax relief for subscribers	30%	30%	50%
Clawback if held for less than	5 years	3 years	3 years
Reinvestment relief period			
- before gain made	N/A	1 year	Same tax year
- after gain made	N/A	3 years	
Tax free dividends?	Yes	No	No
Tax free capital gains?	Yes	Yes (after 3 years)	Yes (after 3 years)
Tax relief for losses?	No	Yes	Yes
IHT business property relief?	No	Yes	Yes

* This is increased to £2 million provided that anything above £1 million is invested in knowledge-intensive companies. There is no limit on CGT deferral.

Exeter Michael House Castle Street Exeter EX4 3LQ T: 01392 211233	Barnstaple Millennium House Brannam Crescent Roundswell Business Park Barnstaple EX31 3TD T: 01271 342233	Bovey Tracey The Steam Shop Pottery Road Bovey Tracey TQ13 9TZ T: 01626 200124	Holsworthy 12 The Square Holsworthy EX22 6DL T: 01409 253620	Honiton Office 6 East Devon Business Centre Heathpark Way Heathpark Industrial Estate Honiton EX14 1SF T: 01392 211233	Okehampton 4 Fore Street Okehampton EX20 1AD T: 01837 52485
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