STATUTORY INSTRUMENTS

1990 No. 862

INCOME TAX

The Business Expansion Scheme (Substitution of Permitted Maximum Amount) Order 1990

Made - - - -	*4th April 1990*
Laid before the House of Commons	*9th April 1990*
Coming into force	*1st May 1990*

The Treasury, in exercise of the powers conferred on them by section 290A(9) of the Income and Corporation Taxes Act 1988(a), hereby make the following Order:

Citation and commencement

1. This Order may be cited as the Business Expansion Scheme (Substitution of Permitted Maximum Amount) Order 1990 and shall come into force on 1st May 1990.

Introductory

2. Article 3 of this Order amends section 290A of the Income and Corporation Taxes Act 1988 by substituting different amounts for the amounts specified in subsections (1) and (4) of that section.

Amendments to section 290A of the Income and Corporation Taxes Act 1988

3. In section 290A of the Income and Corporation Taxes Act 1988–

(a) in subsection (1)(b) for "£500,000" there shall be substituted "£750,000"; and

(b) in subsection (4)(b) for "£500,000" there shall be substituted "£750,000", in both places.

John Taylor
David Lightbown
Two of the Lords Commissioners of Her Majesty's Treasury

4th April 1990

(a) 1988 c.1; section 290A was inserted by section 51(1)(b) of the Finance Act 1988 (c.39). The section was modified for purposes not relevant to this Order by section 50 of, and paragraph 3 of Schedule 4 to, that Act.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, with effect from 1st May 1990, increases from £500,000 to £750,000 the amount which may be raised through the Business Expansion Scheme by the issue of eligible shares in the period of six months ending with the date of issue of the shares or since the previous 6th April, whichever is longer. The increase in the BES limit applies to share issues made by companies carrying on most qualifying trades, research and development or oil exploration. (Different limits apply to companies operating or chartering certain ships and to companies providing private rented housing, which are not affected by this Order.)

The Business Expansion Scheme provides income tax and capital gains tax relief on eligible shares issued by qualifying companies to individual investors.

55p net

ISBN 0 11 003862 2

Printed in the United Kingdom for HMSO

745/WO 0830 C28 4/90 452/1 9385/9328/7406 88352