

ENTERPRISE INVESTMENT SCHEME (EIS) AND SEED ENTERPRISE INVESTMENT SCHEME (SEIS)

CONTENT BREAKDOWN

1. Background to EIS (15 min)

- Purpose
- History and main developments
- Autumn Budget 2017
- Quick Quiz

2. Background to SEIS (10 Min)

- Purpose
- History and main developments
- Why invest in SEIS?
- Quick Quiz

3. Introducing Some of the Risks (15 min)

- Investment risks
- Liquidity
- Exit risk
- Tax risks
- Quick Quiz

4. Suitability (15 min)

- FCA classification
- Attitude and capacity
- Expertise and diversity
- Quick Quiz

5. The Tax Reliefs, EIS: Income tax relief (15 min)

- Tax reliefs in summary
- Income tax qualifying conditions
- Income tax relief
- Quick Quiz

6. EIS: CGT Deferral Relief, Disposal Relief, Loss Relief and IHT Relief (15 min)

- CGT Deferral Relief
- Tax-free growth (disposal relief)
- Loss relief
- IHT relief (Business relief)
- Quick Quiz

7. The Tax Reliefs: SEIS (20 min)

- Tax reliefs in summary
- Income tax relief
- Reinvestment relief
- Tax-free growth (disposal relief)
- Loss relief
- IHT relief (Business relief)
- Quick Quiz

8. Rules for Investors (25 min)

- Minimum holding period
- Connected parties
- No linked loans
- Pre-arranged exits and underpinning value
- Receiving value
- Types of shares
- Follow-on investments
- Quick Quiz

9. Claiming the Tax Reliefs (15 min)

- The process for claiming tax reliefs
- The process for claiming tax reliefs - EIS funds
- Time limits for claims
- IHT relief
- Quick Quiz

10. Rules for Qualifying Companies (25 min)

- Risk to Capital Condition
- Rules governing the size and type of company: EIS
- Rules governing the size and type of company: SEIS
- Rules governing the raising and spending of funds
- Knowledge-intensive companies
- Qualifying trades and excluded trades
- The growth and development test
- Advance assurance
- Quick Quiz

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CONTENT BREAKDOWN

11. Structures - Funds and Single Companies (20 min)

- Single company EIS or SEIS
- Discretionary managed portfolios
- Alternative investment funds
- EIS and SEIS funds
- Advantages of EIS and SEIS funds
- Approved EIS and SEIS funds
- Quick Quiz

12. Charges and Practicalities (15 min)

- Typical fund investment objectives
- Typical target returns
- Typical charges
- Minimum subscriptions
- Quick Quiz

13. Research and Due Diligence (25 min)

- Performance information
- Other risks of funds
- Researching funds
- Evaluating the provider
- Evaluating the investment
- Investment objective
- Anticipated returns
- Expected minimum duration and exit strategy
- Nature of underlying investments
- Legal and regulatory status
- Further help and advice
- Quick Quiz

14. Case Studies (20 min)

- Building a portfolio of EIS investments
- Building a portfolio of EIS investments to accompany pensions
- Deferring your capital gains (EIS)
- Maximising tax reliefs by investing in an SEIS-qualifying company with EIS follow-on investment

- Obtaining 50% CGT exemption on your capital gains (SEIS)
- Using loss relief on an SEIS portfolio

15. Pitfalls (10 min)

- Example 1. No income tax relief
- Example 2. Timing and deployment of capital
- Example 3. Exit too soon
- Example 4. Poor understanding of the rules
- Quick Quiz

16. Summary of Key EIS and SEIS Differences (10 min)

- The basics
- The tax reliefs
- Investor eligibility
- Company eligibility
- Quick Quiz

17. Final Assessment (30 min)