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SEIS and EIS: Key Features

	SEIS	EIS
Maximum investment (individual)	£200,000 pa	£1 million pa
Maximum investment (company)	£250,000 (total)	£5 million pa
Rate of Relief – income tax	50%	30%
Directors and connection	Paid directors not excluded	Paid directors excluded, subject to carve-outs for directors whose entitlement to remuneration does not start until after the acquisition of shares
Number of employees	Fewer than 25	Fewer than 250
Gross assets	£350,000 before	£15m before and £16m after
Trade	Less than three years old (including any previous owner) Company must not have previously carried on a trade	In general, the company must receive an initial investment under a venture capital scheme within seven years of the first commercial sale
Use of money	Must be used within three years	Must be used within two years
Trading	Company must use 70% of money, or carried on qualifying trade for four months, before claim for approval can be made	Company must have traded or carried on qualifying R&D for four months before a claim for approval
Subsidiaries	Can have qualifying subsidiaries	Can have qualifying subsidiaries
Deferral relief: 2013/14 onwards	50% exempt	Deferred

Note:

With effect from 6th April 2018, the maximum investment limits under EIS are higher where investment is made in “knowledge intensive” companies. These limits and other areas where the EIS scheme differs for “knowledge intensive” companies are not covered in the above table.

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