

From: <enterprise.centre@hmrc.gov.uk>
Date: Tue, 23 Jun 2020 at 10:47
Subject: SITR Advance Assurance
To: <mrjeremybarber@>



Our Ref WMBC/IGR/67238 12920VCRT
Your Ref

Request for advance assurance – Longparish Community Pub Ltd

Dear Sirs,

Thank you for your correspondence dated 21 June 2020. You have asked for us to give you an assurance based on your application.

Social Investment Tax Relief (SITR)

We believe we will be able to authorise the Social Enterprise to issue compliance certificates under Section 257PC(1) of the Income Tax Act (ITA) 2007. This is based on the information in your application. These certificates would relate to the Ordinary Shares you issue.

We give this assurance based on the legislation which is in place on the date of this letter.

If the legislation changes and takes effect on or before the date which the shares or debt investment are issued, the assurance we have given may not continue to apply.

We can't guarantee that any particular subscriber will get relief under the scheme. For more information about this, go to www.gov.uk and search 'tax relief for investors'.

What happens next

Once your shares have been issued, you must complete and send us a compliance statement.

Please note, you must obtain the latest version of the compliance statement from our website, old versions are no longer accepted.

Go to gov.uk and enter SITR in the search option. Select the first result and read the section 'How to apply'

Please read the instructions on the form carefully and make sure you send it to us within the time limits.

The proposed investment(s) would meet the age requirement or other conditions of Section 257MNA ITA 2007 and would constitute State aid under Article 21 of the General Block Exemption Regulation (EC Regulation 651/2014)

For more information on State aid go www.gov.uk and search 'state-aid'.

More Information

In reviewing this application, I have considered whether the company meets the trading requirement of section 257MJ Income Tax Act 2007. In order to meet the trading requirement, during the shorter applicable period, the company's business must not consist to a substantial part of excluded activities. The B+B element of the company's business is an excluded activity as it amounts to the leasing of a space/room. HMRC guidance indicates that a "substantial" part of a trade consists of 20% by any measure which is reasonable. I have reviewed the forecasts and consider that the B+B income is not projected to represent over 20% of the company's turnover and as such have approved the advance assurance.

If, however at any point in the shorter applicable period (begins with date of investment and runs for three years) the company's turnover from the B+B exceeds 20%, the company will cease to qualify, and all relief will be withdrawn.

Please note that you will only receive this email copy. You will not receive a copy by post or pdf.

Yours faithfully

Venture Capital Reliefs Team
HM Revenue and Customs

	<p>William Bradshaw Venture Capital Schemes Specialist Venture Capital Reliefs Team WMBC BX9 1BN Email: enterprise.centre@hmrc.gsi.gov.uk</p>
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