

VCT & EIS Compared

The reliefs for Venture Capital Trusts and the Enterprise Investment Scheme are similar in many respects, but there are some significant differences. The table below highlights the main reliefs. For further details see the fact sheets for each type of investment.

	VCT	EIS
Annual investment limit	£200,000	£500,000 *
Income tax relief for subscribers	30%	30%
Clawback if held for less than	5 years	3 years
Reinvestment relief period		
- before gain made	N/A	1 year
- after gain made	N/A	3 years
Tax free dividends?	Yes	No
Tax free capital gains?	Yes	Yes (after 3 years)
Tax relief for losses?	No	Yes (after 3 years)
IHT business property relief?	No	Yes

* No limit on CGT deferral