

Please find enclosed a copy of the letter that we have sent to your client, [\[client name from spreadsheet\]](#).

We recognise the value of professional agents helping customers with their tax. For information about the required standards for agents, go to www.gov.uk/government/publications/hmrc-the-standard-for-agents/hmrc-the-standard-for-agents

Yours faithfully

WMBC Compliance
HM Revenue and Customs



HM Revenue
& Customs

HM Revenue and Customs
WMBC
BX9 1BN

[Customer name from spreadsheet](#)
[Customer address & postcode from spreadsheet](#)

Phone 03000 579222

Email responseteam5@hmrc.gov.uk

Date [SEES date](#)
Our Ref [CFSS ref from data file/EIS OTM](#)
Your Ref [UTR from data file](#)

Dear [title/surname from data file](#)

Your claim for Deferral Relief under the Enterprise Investment Scheme

We are writing to you as our records show that you've claimed Deferral Relief under the Enterprise Investment Scheme (EIS). This relief lets you defer a gain by charging it to Capital Gains Tax (GGT) in a later tax year.

We want to help you deal with any changes in your circumstances that mean the deferred gain is 'revived'. Revived means the gain becomes chargeable and determines when you may need to pay CGT.

What you need to do now

There are 5 different events which can cause a gain to be revived. We have enclosed a document telling you what these events are. You may need to pay CGT for the tax year when the first one of these events occurred.

Please read this document and think about whether any of these events apply to you. You are responsible for making sure that your tax return is complete and correct, even if you use someone else to look after your tax affairs.

If you're satisfied that your tax returns are complete and correct, you do not need to take any further action.

If you need to correct your return(s), you can do this:

- online, using our guidance, go to GOV.UK and search 'Self Assessment tax returns corrections'
- by emailing us at responseteam5@hmrc.gov.uk
- in writing, using the address at the top of this letter

You must quote all references shown at the top of this letter when you contact us.

Please note that if HMRC already have an open compliance check into any of your tax returns, then you need to contact the officer dealing with the check.

Help and advice

For more information about:

- Deferral Relief, go to GOV.UK and search 'HS297'
- EIS - Income Tax relief, go to GOV.UK and search 'HS341'
- filling in your tax return correctly, go to GOV.UK and search 'Get help with Self Assessment returns'

If you need extra support

If you have any health or personal circumstances that may make it difficult for you to deal with us, please let us know. We'll help you in whatever way we can. For more information about this, go to GOV.UK and search 'Get help from HMRC if you need extra support'.

Important information about communicating by email

Please read the enclosed factsheet DSC1, 'Corresponding with HMRC by email'.

If you want us to reply by email, you must tell us that you understand and accept the risks involved.

We will only contact you by email about a tax matter where you have already given us permission to do so. If you have any doubt about the authenticity of an email which claims to come from HMRC, then do not click on any links, give any personal details or reply to the email. Please forward the email to us at phishing@hmrc.gov.uk

A copy of this letter has been sent to your agent, if we have authority from you to deal with them.

Yours sincerely

WMBC Compliance

HM Revenue and Customs



Deferral Relief under Schedule 5B of the Taxation of Chargeable Gains Act 1992

Deferred gains become chargeable again the first time any of the following 5 events occur. Gains are chargeable in the tax year when the event occurred for the first time.

- 1 You dispose of your EIS shares, including a deemed disposal. This is unless the disposal is to your spouse or civil partner. This type of event is covered by the no gain/no loss rule.
- 2 You dispose of your EIS shares after you received them under the no gain/no loss rule from your spouse or civil partner. This does not apply to a no gain/no loss disposal back to the same spouse or civil partner.
- 3 You stop being resident in the UK within a period of time. This period of time starts when the shares were issued to you and ends immediately before the termination date for those shares.
- 4 You received the shares under the no gain/no loss rule from your spouse or civil partner and stop being resident in the UK within a period of time. This period of time starts when the shares were issued to you and ends immediately before the termination date for those shares.
- 5 The shares cease or are treated as ceasing to be eligible shares.

Please note there is an exception to event numbers 3 and 4. This exception applies if the reason you stop being resident in the UK is to do with their employment. For more information about this, go to GOV.UK and search 'VCM23120'.

If you dispose of EIS shares, or they cease to be eligible shares, within 3 years of you buying them, we may need to withdraw your Income Tax relief claim. Please contact us using the details on the front of this letter if this applies.



Corresponding with HMRC by email

Use the following information to decide whether you want to deal with us by email. We take the security of personal information very seriously. Email is not secure, so it's very important that you understand the risks before you email us. We will not deal with you by email unless you tell us you accept the risks of doing so.

About the risks

The main risks associated with using email that concern HMRC are:

- confidentiality and privacy – there's a risk that emails sent over the internet may be intercepted
- confirming your identity – it's crucial that we only communicate with established contacts at their correct email addresses
- there's no guarantee that an email received over an insecure network, like the internet, has not been altered during transit
- attachments could contain a virus or malicious code

How we can reduce the risks

We'll desensitise information, for example by only quoting part of any unique reference numbers. We can also use encryption. We're happy to discuss how you may do the same but still give the information we need.

If you do not want to use email

You may prefer that we do not respond by email, for example because other people have access to your email account. If so, we're happy to respond by another method. We'll agree this with you either by telephone or in writing via post.

If you do want to use email

If you would like to use email as one of the ways HMRC will contact you, we'll need you to confirm in writing by post or email:

- that you understand and accept the risks of using email
- that you're content for financial information to be sent by email
- that attachments can be used

If you are the authorised agent or representative we'll need you to confirm in writing by post or email that your client understands and accepts the risks.

Please also:

- send us the names and email addresses of all people you would like us to use email with - you, your staff, your representative, your agent, for example
- confirm you have ensured that your junk mail filters are not set to reject and/or automatically delete HMRC emails

How we use your agreement

Your confirmation will be held on file and will apply to future email correspondence. We'll review the agreement at regular intervals to make sure there are no changes.

Opting out

You may opt out of using email at any time by letting us know.

More information

You can find more information on HMRC's privacy policy. Go to www.gov.uk and search for 'HMRC Privacy Notice'.

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