



UKSIF

## PRESS RELEASE

### **Ethical Investment Association welcomes proposals for EIS/VCT relief for community-based renewable energy investments**

*EIA praises Government rethink since March Budget*

**London, 29 September 2011** – The Ethical Investment Association, the UK’s leading green and ethical investment association for financial advisers, has welcomed the government’s plans to continue EIS/VCT relief for community-based renewable energy investments. The government proposals, announced in a consultation that closed yesterday, represent a rethink since Chancellor George Osborne announced in the March budget that this tax relief would be withdrawn from all investments eligible for Feed-In Tariff (FITs) payments for renewable energy generation.

UKSIF, the sustainable investment association, has also welcomed the move in a joint response with community energy organisations to the consultation paper.

**Julian Parrott, Chair of the Ethical Investment Association said:** “We see increasing client interest in investments that may help local communities to be more resilient against rising energy prices while, at the same time, offering an acceptable investment return. This tax relief enables them to consider an exposure to renewable energy schemes managed by community-based organisations. Advisers can deepen client relationships by raising awareness of these new investments. It makes sense for clients, communities and the environment.”

## Contact

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For information about the government's proposals and the joint consultation response:

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## Notes to Editors

### **About the Ethical Investment Association (EIA)**

The Ethical Investment Association (EIA) is the association of financial advisers from around the UK dedicated to the promotion of green and ethical investment. Members are committed to increasing access to green and ethical investment advice for individuals, businesses and charities, and to increasing and improving their own professional knowledge.

The EIA was started by financial advisers in 1998. In 2009, the EIA became a separate chapter of UKSIF.

For more information, visit [www.ethicalinvestment.org.uk](http://www.ethicalinvestment.org.uk).

### **About UKSIF**

UKSIF, the sustainable investment and finance association, promotes responsible investment and other forms of finance that support sustainable economic development, enhance quality of life and safeguard the environment.

Founded in 1991 and celebrating its 20<sup>th</sup> anniversary this year, UKSIF has over 260 members including pension funds, asset managers, investment consultants, financial advisers, research providers, banks and non-governmental organisations. UKSIF co-ordinate National Ethical Investment Week (NEIW), an annual campaign which aims to raise awareness of green and ethical investment and finance. NEIW takes place this year from 16-22 October. For more information, visit [www.uksif.org](http://www.uksif.org).

### **About HM Treasury's Consultation on Tax-Advantaged Venture Capital Schemes**

The HM Treasury consultation document is at [www.hm-treasury.gov.uk/consult\\_tax\\_advantaged\\_venture\\_capital\\_schemes.htm](http://www.hm-treasury.gov.uk/consult_tax_advantaged_venture_capital_schemes.htm). It proposes continued EIS/VCT tax relief for Feed-In Tariff (FITs) businesses if they use certain non-profit "social enterprise" organisational structures while retaining the plan announced in the March Budget to exclude FITs businesses

using other organisational forms. The consultation also proposed that the relief be maintained for hydro power and anaerobic digestion.

The joint response, which also welcomes the tax relief for these technologies, is available at:

[http://www.uksif.org/cmsfiles/responses/5388924/Joint\\_response\\_to\\_tax-advantaged\\_venture\\_capital\\_schemes\\_consultation.pdf](http://www.uksif.org/cmsfiles/responses/5388924/Joint_response_to_tax-advantaged_venture_capital_schemes_consultation.pdf).