

<b>Relevant Scheme</b>	<b>Burden/Complication</b>	<b>Why</b>	<b>Suggested Simplification</b>	<b>Benefit</b>
EMI	Section 431 Election	The election is deemed where there is no tax liability on exercise but for EMIs or other Plans where a tax liability does or may arise then there is a need for an election within 14 days (section 431A - ITEPA 2003)	The election is deemed for all entitlements under an approved Plan or EMI unless the parties agree otherwise (copy the position for research institution spin-out companies - section 451 ITEPA 2003)	Reduction in administration and paperwork for HMRC and Companies, reducing the opportunities for errors and incorrect tax returns
All	Valuation of AIM Shares	AIM listed securities are not shares listed on a recognised stock exchange and therefore the value must be agreed each time with HMRC, although shares valuation may give a dispensation in practice.	Apply a mid-market closing price as the automatically agreed price, with the need to seek individual valuation only for exceptional cases, e.g. unusually low volume of trades.	Reduces time needed to agree obvious prices and therefore reduces costs for Shares Valuation at HMRC and professional /administrative costs for the Company
All	Individual returns for each Plan plus separate recording on SA tax return	Each type of Plan (SIP/CSOP/EMI/SAYE and unapproved arrangements) require individual forms and there is no formal mechanism for passing annual details to participants to include on their personal returns	A single return for each company including all approved/qualifying plans and also the information for Form 42 plus inclusion of the participants benefits on the P11D or equivalent.	Including on the P11D or equivalent alerts companies to the timely completion of the annual returns and a single return means it is more difficult to overlook a return where a company operates multiple plans.
