

19 March 2014

Quoted Companies Alliance supports the simplification of ISAs and removal of stamp duty on growth market shares as means to improve financing of companies

The Quoted Companies Alliance, the independent membership organisation that champions the interests of small to mid-size quoted companies, welcomes the Chancellor's move in the Budget today to simplify Individual Savings Accounts (ISAs) by equalising stocks and shares and cash ISAs, increasing the savings limit to £15,000 and allowing retail bonds to be included.

The Quoted Companies Alliance also welcomes the reinforcement of the Government's commitment to remove stamp duty on growth market shares, such as those on AIM and the ICAP Securities and Derivatives Exchange (ISDX), as of 28 April 2014. Other measures announced that will help businesses to grow include the increase in the Annual Investment Allowance and the increase in the rate of payable credit for loss making small and medium-sized enterprises under Research and Development tax credits.

Tim Ward, Chief Executive of the Quoted Companies Alliance, comments: "The simplification of ISAs is a great step. It will encourage people to save and improve the flow of finance to growing businesses. Coupled with the inclusion of growth market shares in ISAs as of last August and the upcoming removal of stamp duty on growth market shares, these changes help to further encourage greater investment in smaller, growing public companies and provide more fuel for the engines of growth of the UK economy.

"However, we believe that the Government must now do more to promote public equity as a means for growth companies to raise finance. As part of this, it is time to correct the tax bias by allowing the costs of raising equity to be tax deductible along the same lines as debt. We are awaiting the publication of the Government's discussion paper on improving access to public equity markets, which was announced in the 2013 Autumn Statement, and believe that this will provide a great opportunity to debate these issues."

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Notes to editors:

1. The Quoted Companies Alliance is the independent membership organisation that champions the interests of small to mid-size quoted companies. We campaign, we inform and we interact to help

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our members keep their businesses ahead. Through our activities, we ensure that our influence always creates impact for our members. For more information please visit www.theqca.com.

2. The Quoted Companies Alliance Proposals for Taxation Reform – 2014 Budget – is available at: <http://www.theqca.com/about-us/responses/79702/quoted-companies-alliance-2014-budget-proposals.shtml>