



# ShareSoc

UK Individual Shareholders Society

PO Box 62, Chislehurst, BR7 5YB

Phone: 020-8467-2686

Email: [info@sharesoc.org](mailto:info@sharesoc.org)

Web: [www.sharesoc.org](http://www.sharesoc.org)

Kathryn Robertson  
HM Revenue & Customs

Via Email:

15 March 2014

## Oxford Technology VCTs

Dear Ms Robertson,

I am writing to you on behalf of our members concerning the recent notice to remove Venture Capital Trust status from Oxford Technology VCT and VCT 3. As an organisation we represent individual shareholders in UK public companies and are, we believe, the largest such organisation in the UK. Many of our members invest in Venture Capital Trusts and I have spoken to several who are holders of one or the other of the affected VCTs.

It seems most unfortunate to us that a minor oversight by the fund manager will cause the VCT status of these companies to be revoked. This will primarily damage the shareholders in the company who will in practice be punished for the mistakes of the manager over which they have no control. This seems grossly unfair and out of all proportion to the nature of the infringement.

I urge you to consider carefully any appeal made by these companies and perhaps consider some other way they might be punished for this minor transgression. Surely a prompt rectification of the situation (e.g. so that they fall back within the 15% limit by disposal of Scancell shares) by the VCTs would be one solution.

If the companies also took steps to ensure that these problems did not arise again by strengthening their boards and supporting administrative functions, that would surely also give you some reassurance.

Although I do not personally hold shares in the two VCTs concerned, I do hold shares in other VCTs and am aware that the regulations that apply to VCTs are exceedingly complex. Investors have generally not seen great returns from investment in Venture Capital Trusts and the risk of potential loss of the tax reliefs that make such investments justifiable may weigh heavily on their minds in future if they perceive that minor technical infringements are to be treated so harshly.

Surely there are some other solutions that could be considered in this case?

Yours sincerely

Roger W. Lawson  
Chairman