

EMI Update: EU State Aid Renewed on May 15, 2018

May 17, 2018

Following the expiration of the European Commission (the Commission) state aid approval for the UK's Enterprise Management Initiative (EMI) scheme on April 6, 2018, we are pleased to report that the period of uncertainty is over and companies can again grant options eligible for the tax advantages of EMI.

The Commission's formal decision is expected to be published shortly, which should clarify whether the approval will be applied retrospectively to April 7, 2018.

In light of the May 15, 2018 renewal:

- Companies that delayed granting EMI options following the April 6, 2018 expiration of EU state aid approval may now make those planned grants as the options will be eligible for EMI tax relief.
- Companies that granted options they hoped to be EMI qualifying between April 7, 2018 and May 15, 2018 still need to wait for the Commission's formal decision to be published to determine the tax treatment of those options.

When further information is available, it will be displayed with case reference SA.47789. We will also provide an update as soon as one is available.

Please do not hesitate to contact us with any questions.

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