



EMI changes bring scale-up opportunity

Expanded rules.
Greater flexibility.
More value for your team.

The government's latest tax reforms mark a significant shift in support for growing businesses like yours.

From 6 April 2026, changes to the Enterprise Management Incentive (EMI) scheme have made it more accessible, more flexible and more powerful for scale-ups and mid-market companies.

Why EMI remains a standout incentive

EMI has been one of the most effective ways to give employees a meaningful stake in a company, without immediate cash cost and with favourable tax treatment.

Now it has become even more attractive, enabling you to:

- Select which employees participate
- Tailor option allocations across your team
- Set performance-based vesting conditions
- Align reward directly with business growth.

What this means for your business

The expanded EMI regime could deliver a tangible commercial benefit for your business, including:

- Stronger recruitment and retention potential
- A larger £6m option pool, enabling meaningful equity participation across multiple levels of management, not just senior hires; and
- A longer runway to exit.

A 15-year exercise period also gives businesses and employees more time to reach a liquidity event without losing tax advantages.

Additional benefits include:

- Sustained eligibility as you scale
- Higher thresholds mean you can continue using EMI further into your growth journey
- Improved liquidity planning
- PISCES-related changes offer greater flexibility for private company share sales and employee realisation events.

Key Changes

| What is changing | Old position | New position | Effective date |
|------------------------------------|--------------------|---|--|
| Company-wide EMI options limit | £3 million | £6 million | Apr 6, 2026 |
| Gross assets limit | £30 million | £120 million | Apr 6, 2026 |
| Employee headcount limit | 250 employees | 500 employees | Apr 6, 2026 |
| Maximum holding / exercise period | 10 years | 15 years | 6 April 2026, with possible retrospective application for existing qualifying options, |
| Separate EMI notification on grant | Required | Removed for options granted on or after 6 April 2027, with reporting folded into end-of-year reporting from 6 April 2028 | Apr 6, 2027 |
| PISCES exercise trigger amendments | Previously unclear | Existing EMI contracts may be amended to include a PISCES sale event without losing tax advantages, subject to conditions | Finance Bill 2025–26 changes |

What should you do now?

Act now to take advantage of the new rules.

Our Tax & Incentives team advises founders, investors and management teams on designing and implementing effective equity structures.

For expert advice on what the EMI changes could mean for you, get in touch.

Get in touch

Jeremy Glover
Partner
Tax & Incentives



+44 (0) 20 7846 2370

jeremy.glover@jurit.com

jurit.com