

Status: Point in time view as at 01/04/2014.

Changes to legislation: Greater London Authority Act 1999, Cross Heading: Capital allowances is up to date with all changes known to be in force on or before 29 August 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

SCHEDULES

SCHEDULE 33

TAXATION PROVISIONS

PART I

TRANSFERS FROM LONDON REGIONAL TRANSPORT TO TRANSPORT FOR LONDON

Capital allowances

- 4 (1) This paragraph applies in relation to any qualifying transfer of relevant assets—
- (a) from London Regional Transport or any of its subsidiaries,
 - (b) to Transport for London or any of its subsidiaries.
- (2) In this paragraph “relevant assets”, in the case of any qualifying transfer, means assets by reference to which capital allowances may be or have been made to the transferor.
- (3) Where this paragraph applies in relation to a qualifying transfer of relevant assets—
- (a) there shall be made to or on the successor in accordance with the [^{F1}the Capital Allowances Act 2001] all such allowances and charges as would, if the transferor had continued to carry on its trade or other activities, have fallen to be made to or on the transferor in respect of those assets; and
 - (b) the amount of any such allowance or charge shall be computed on a just basis as if—
 - (i) the acquisition of those assets by the transferor had been their acquisition by the successor for the purposes of the trade (if any) to be carried on by the successor on and after the transfer date;
 - (ii) the successor had been carrying on its trade (if any) at the time of that acquisition; and
 - (iii) everything done by or to the transferor in respect of those assets had been done by or to the successor (but so that the qualifying transfer itself, so far as it relates to any assets in use for the purpose of the trade, shall not be treated as giving rise to any such allowance or charge).
- (4) The amounts falling to be taken into account in relation to the transferor as expenditure by reference to which capital allowances may be made shall be reduced, in relation to accounting periods beginning on or after the transfer date, by such amount as is just, taking into account the successor’s entitlement to capital allowances under sub-paragraph (3) above.
- (5) The transferor’s entitlement to capital allowances for its accounting period in which the transfer date falls shall be reduced by an amount which is just.
- (6) In the case of a qualifying transfer of relevant assets to Transport for London—

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- (a) in consequence of subsection (1) of section 419 of this Act, no allowances or charges are to be made to or on Transport for London by virtue of subparagraph (3) above; but
 - (b) sub-paragraphs (4) and (5) above shall have effect in relation to the transferor as if paragraph (a) had been omitted from that subsection.
- (7) If any dispute arises as to the amount which is just for the purposes of subparagraph (3), (4) or (5) above—
- (a) the Commissioners of Inland Revenue, the transferor or the successor may refer the dispute to the Secretary of State; and
 - (b) on any such reference, the amount which is just shall be such amount as the Secretary of State may determine with the approval of the Treasury.
- (8) Neither—
- (a) section 343(2) of the Taxes Act 1988 (company reconstructions without change of ownership), nor
 - (b) [^{F2}section 266 of the Capital Allowances Act 2001 (election where predecessor and successor are connected persons)],
- shall have effect by virtue of a qualifying transfer in relation to which this paragraph applies.
- [^{F3}(9) Except as provided by this paragraph, a qualifying transfer in relation to which this paragraph applies shall be taken for the purposes of the Capital Allowances Act 2001 not to give rise to—
- (a) any writing-down allowances, balancing allowances or balancing charges under Chapter 5 of Part 2 of that Act (plant and machinery allowances and charges),
 - (b) any disposal value being treated as received for the purposes of that Chapter,
 - (c) any qualifying expenditure being treated as incurred for the purposes of that Chapter, or
 - (d) any writing-down allowances, balancing allowances or balancing charges under Part 3 of that Act (industrial buildings allowances).
- (10) In this paragraph and paragraph 10 below “the Capital Allowances Act 2001” includes, where the context admits, enactments which under the Taxes Act 1988 are to be treated as contained in the Capital Allowances Act 2001.]

Textual Amendments

- F1** Words in Sch. 33 para. 4(3) substituted (22.3.2001 with effect as mentioned in s. 579(1) of the amending Act) by 2001 c. 2, s. 578, **Sch. 2 para. 105(1)**
- F2** Words in Sch. 33 para. 4(8)(a) substituted (22.3.2001 with effect as mentioned in s. 579(1) of the amending Act) by 2001 c. 2, s. 578, **Sch. 2 para. 105(2)**
- F3** Sch. 33 para. 4(9)(10) substituted for Sch. 33 para. 4(9) (22.3.2001 with effect as mentioned in s. 579(1) of the amending Act) by 2001 c. 2, s. 578, **Sch. 2 para. 105(3)**

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