



Corporation Tax Act 2010

2010 CHAPTER 4

PART 9

LEASING PLANT OR MACHINERY

CHAPTER 6

SALES OF LESSORS: GENERAL INTERPRETATION

[^{F1}437A Determining the ascribed value of plant or machinery

- (1) For the purposes of the sales of lessors Chapters, the ascribed value of plant or machinery at any given time (“the relevant time”) is the value determined in accordance with this section.
- (2) Subsection (3) applies to plant or machinery if—
 - (a) it is subject to a plant or machinery lease at the relevant time,
 - (b) the relevant company or partnership is a lessor under the lease, and
 - (c) subsection (5) does not apply to it.
- (3) The ascribed value of plant or machinery to which this subsection applies is the higher of—
 - (a) the market value of the plant or machinery at the relevant time, and
 - (b) the present value at that time of the lease referred to in subsection (2).
- (4) Subsection (5) applies to plant or machinery if—
 - (a) it is subject to a plant or machinery lease at the relevant time,
 - (b) the lease is an equipment lease within the meaning of Chapter 14 of Part 2 of CAA 2001 (fixtures),
 - (c) the relevant company or partnership is the equipment lessor in respect of the lease (see section 174 of that Act), and
 - (d) the equipment lessor is treated at that time as the owner of the plant or machinery by virtue of an election made in reliance on section 177(1)(a)(i)

Status: Point in time view as at 19/07/2011.

Changes to legislation: Corporation Tax Act 2010, Section 437A is up to date with all changes known to be in force on or before 14 July 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)

of that Act (which permits elections if the conditions in section 178 are met in relation to the lease).

- (5) The ascribed value of plant or machinery to which this subsection applies is the present value at the relevant time of the lease referred to in subsection (4).
- (6) The ascribed value of plant or machinery to which neither subsection (3) nor subsection (5) applies is the market value of the plant or machinery at the relevant time.]

Textual Amendments

- F1** Ss. 437A-437C inserted (with effect in accordance with Sch. 6 para. 27 of the amending Act) by Finance Act 2011 (c. 11), **Sch. 6 para. 22**

Status:

Point in time view as at 19/07/2011.

Changes to legislation:

Corporation Tax Act 2010, Section 437A is up to date with all changes known to be in force on or before 14 July 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.