



# Capital Allowances Act 1990 (repealed)

## 1990 CHAPTER 1

### PART II

#### MACHINERY AND PLANT

### CHAPTER VI

#### FIXTURES

#### **58 Equipment lessors: special provisions.**

- (1) If, by virtue of an election under section 53, a fixture is treated for the purposes of this Part as belonging to the equipment lessor and either—
  - (a) the equipment lessor at any time assigns his rights under an equipment lease, or
  - (b) the financial obligations of the equipment lessee under an equipment lease are at any time discharged, on the payment of a capital sum or otherwise,then, at that time (or, as the case may be, the earliest of those times) the fixture shall be treated for the purposes of this Part as ceasing to belong to the equipment lessor by reason of a sale by him of the fixture.
- (2) If subsection (1)(a) above applies, then, on and after the time of the assignment referred to in that paragraph, the fixture to which the agreement in question relates shall be treated for the purposes of this Part as belonging to the assignee and the consideration given by him for the assignment shall be treated for those purposes—
  - (a) as the price received for the sale of the fixture by the assignor; and
  - (b) as expenditure incurred by the assignee on acquiring the fixture.
- (3) On and after an assignment falling within paragraph (a) of subsection (1) above, that subsection shall have effect as if the machinery or plant (as a fixture) were treated for the purposes of this Part as belonging to the assignee by virtue of an election under section 53 and, accordingly, as if the assignee were the equipment lessor, as defined in that section.

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*Status: Point in time view as at 17/02/1995. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 1990 (repealed), Section 58. (See end of Document for details)*

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- (4) Where a capital sum is paid as mentioned in subsection (1)(b) above, that capital sum shall be treated for the purposes of this Part—
- (a) as the price received for the sale of the fixture by the equipment lessor; and
  - (b) if that capital sum is paid by the equipment lessee, as expenditure incurred by him on the provision of the fixture;
- and where paragraph (b) above applies, on and after the time of that payment, the fixture shall be treated for the purposes of this Part as belonging to the equipment lessee.
- (5) Where the financial obligations of the equipment lessee under an equipment lease have become vested in any other person (by assignment, operation of law or otherwise) any reference in subsection (1)(b) or (4) above to the equipment lessee shall be construed as a reference to the person in whom those obligations are for the time being vested when the capital sum is paid.

**Status:**

Point in time view as at 17/02/1995. This version of this provision has been superseded.

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 1990 (repealed), Section 58.