



# Capital Allowances Act 1990 (repealed)

## 1990 CHAPTER 1

### PART III

#### DWELLING-HOUSES LET ON ASSURED TENANCIES

#### **90 Writing off of expenditure and meaning of “residue of expenditure”.**

- (1) Any expenditure appropriate to a qualifying dwelling-house shall be treated for the purposes of this Part as written off to the extent and as at the times specified below, and the references in this Part to the residue of any such expenditure shall be construed accordingly.
- (2) An initial allowance made under paragraph 1 of Schedule 12 to the <sup>M1</sup>Finance Act 1982 in respect of a qualifying dwelling-house shall be treated as written off as at the time when the qualifying dwelling-house is first used.
- (3) Where, by reason of the whole or part of a building being at any time a qualifying dwelling-house, a writing-down allowance is made for any chargeable period in respect of the expenditure, the amount of that allowance shall, subject to subsection (4) below, be treated as written off as at that time.
- (4) Where, at a time which is material for the purposes of subsection (3) above, an event occurs which gives rise or may give rise to a balancing allowance or a balancing charge, the amount directed to be treated as written off by that subsection as at that time shall be taken into account in computing the residue of that expenditure immediately before that event for the purpose of determining whether any and if so what balancing allowance or balancing charge is to be made.
- (5) If, for any period or periods between the time when the whole or part of a building was first used for any purpose and the time at which the residue of the expenditure falls to be ascertained, the building or part, as the case may be, has not been a qualifying dwelling-house, there shall in ascertaining that residue be treated as having been previously written off in respect of that period or those periods amounts equal to writing-down allowances made for chargeable periods of a total length equal thereto at

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*Status: Point in time view as at 01/05/1995. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 1990 (repealed), Section 90. (See end of Document for details)*

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such rate or rates as would have been appropriate having regard to any sale on which section 85(3) operated.

- (6) Where, on the occasion of a sale, a balancing allowance is made in respect of the expenditure, there shall be treated as written off as at the time of the sale the amount by which the residue of the expenditure before the sale exceeds the net proceeds of the sale.
- (7) Where, on the occasion of a sale, a balancing charge is made in respect of the expenditure, the residue of the expenditure shall be deemed for the purposes of this Part to be increased as at the time of the sale by the amount on which the charge is made.
- (8) Where, on the occasion of a sale, a balancing charge is made under section 88(3) (b) in respect of the expenditure and, apart from this subsection, the residue of the expenditure immediately after the sale would by virtue of subsection (7) above be deemed to be greater than the net proceeds of the sale, the residue immediately after the sale shall be deemed for the purposes of this Part to be equal to the net proceeds.
- (9) Where a dwelling-house is demolished, and the demolition gives rise, or might give rise, to a balancing allowance or charge under this Part to or on the person incurring the cost of demolition, the net cost to him of the demolition (that is to say, the excess, if any, of the cost of the demolition over any moneys received for the remains of the property) shall be added for the purposes of this Part to the residue, immediately before the demolition, of the expenditure appropriate to the dwelling-house; and if this subsection applies to the net cost to a person of the demolition of any property, the cost or net cost shall not be treated, for the purposes of this Part, as expenditure incurred in respect of any other property by which that property is replaced.

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**Marginal Citations**

**M1** 1982 c. 39.

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