

SCHEDULES

SCHEDULE 7

TRANSFER SCHEMES RELATING TO BBC TRANSMISSION NETWORK: TAXATION PROVISIONS

Capital allowances: agricultural buildings

- 17 (1) This paragraph applies in any case where there is a relevant transfer of property which is the relevant interest in relation to any expenditure for which the BBC would be entitled to an allowance under Part V of the Allowances Act (agricultural buildings etc.) apart from section 128 of that Act (balancing allowances and charges).
- (2) Where this paragraph applies—
- (a) the acquisition of the relevant interest by the transferee shall, as respects the transferee, be treated for the purposes of Part V of the Allowances Act as a balancing event falling within subsection (1)(a) of section 129 of that Act (so that, in particular, subsection (3) of that section applies by reason of its occurrence); and
 - (b) it shall accordingly be assumed, as respects the transferee, that an election has been made under subsection (2) of that section (acquisition of relevant interest by another not to be a balancing event without an election under that subsection) with respect to the acquisition of the relevant interest by the transferee.
- (3) Where this paragraph applies, subsection (3) of section 129 of the Allowances Act (entitlement of the new owner to allowances) shall, as respects the transferee, have effect with the following modifications, that is to say—
- (a) the period which, by virtue of paragraph (a) of that subsection, is to be treated as if it were itself the writing-down period in which the allowances in respect of the expenditure in question were to be made shall be such period as the Secretary of State may by order specify; and
 - (b) the expenditure which, by virtue of paragraph (b) of that subsection, is to be treated as the expenditure in respect of which the transferee (as being the new owner, within the meaning of that section) is entitled to the allowances mentioned in that paragraph shall be equal to the prescribed amount (without any reduction or addition under that paragraph).
- (4) This paragraph shall not have effect in relation to any property if paragraph 12(3) has effect in relation to it.