

*These notes refer to the Capital Allowances Act 2001
(c.2) which received Royal Assent on 22nd March 2001*

CAPITAL ALLOWANCES ACT 2001

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Glossary

Part 5: Mineral extraction allowances

Chapter 4: Qualifying expenditure: second-hand assets

Section 413: Transfers of mineral assets within group: supplementary

1431. This section is based on part of section 117 of CAA 1990.
1432. *Subsection (2)(b)* makes explicit that section 412 does not apply if an election is made for “step-in-shoes” treatment to apply to the buying company in relation to the mineral asset. That treatment will reflect an earlier deduction for the undeveloped market value of land.
1433. *Subsection (4)* makes it explicit that the cap in the previous section does not affect any part of the expenditure that is treated as qualifying expenditure on mineral exploration and access by the first two sections in this Chapter.