

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

# CAPITAL ALLOWANCES ACT 2001

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### *Glossary*

#### **Part 7: Know-how allowances**

##### **Structure of this Part**

1593. As nearly 15 years have passed since 1 April 1986 the previous system for giving capital allowances over six years does not need to be rewritten. Section 530(6) and (8) of ICTA is therefore not rewritten in this Act.
1594. This Part:
- brings the legislation dealing with capital allowances (broadly section 530 and parts of sections 531 to 533 of ICTA) into this Act in order to make it more accessible; and
  - splits that material into separate Chapters having regard to both the structure of know-how allowances and the structure used for other allowances.
1595. Section 531 of ICTA deals with more than just capital allowances. Section 531(1) is relevant to trading income and section 531(4) is relevant for income taxed under Case VI of Schedule D. The parts of section 531 that are not about capital allowances remain in ICTA.