



Capital Allowances Act 2001

2001 CHAPTER 2

PART 12

SUPPLEMENTARY PROVISIONS

CHAPTER 1

LIFE ASSURANCE BUSINESS

544 Management assets

- (1) No allowances are to be given or charges imposed in respect of management assets of any life assurance business carried on by a company except under Part 2 (plant and machinery allowances).
- (2) An asset is a management asset of any life assurance business carried on by a company if it is provided for use, or used, for the management of that business of that company.
- [^{F1}(3) The management of any life assurance business consists of pursuing those purposes expenditure on which falls to be regarded as expenses payable for the purposes of section 76 of ICTA .]
- ^{F2}(5)

Textual Amendments

- F1** S. 544(3) substituted for s. 544(3)(4) (with effect in accordance with art. 1(2) of the amending S.I.) by Finance Act 2004, Sections 38 to 40 and 45 and Schedule 6 (Consequential Amendments of Enactments) Order 2004 (S.I. 2004/2310), art. 1(2), **Sch. para. 57(2)**
- F2** S. 544(5) repealed (with effect in accordance with Sch. 10 para. 17(2) of the amending Act) by Finance Act 2007 (c. 11), Sch. 10 para. 14(8)(b), **Sch. 27 Pt. 2(10)**

Status: Point in time view as at 19/07/2007.

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Chapter 1. (See end of Document for details)

545 Investment assets

- (1) This section applies if a company which is carrying on any life assurance business holds an asset for purposes other than the management of that business.
- (2) “Investment asset” means an asset that is within subsection (1).
- [^{F3}(3) Any allowance under this Act in respect of an investment asset shall be treated as referable to the category or categories of business to which income arising from the asset is or would be referable.

If income so arising is or would be referable to more than one category of business, the allowance shall be apportioned in accordance with [^{F4}section 432A] of ICTA in the same way as the income.]
- (4) If the company is charged to tax in respect of its life assurance business under Case I of Schedule D, no allowance in respect of an investment asset is to be taken into account in calculating the company’s profits from that business.
- (5) If the company is charged to tax [^{F5}under section 436A of ICTA (gross roll-up business), no allowance] in respect of an investment asset is to be taken into account in calculating the company’s profits from [^{F6}gross roll-up business].

Textual Amendments

- F3** S. 545(3) substituted (retrospective to 6.4.2001) by [Finance Act 2001 \(c. 9\)](#), s. 76, [Sch. 25 para. 7](#)
- F4** Words in s. 545(3) substituted (with effect in accordance with s. 38(2) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 7 para. 71\(2\)](#) (with [Sch. 7 Pt. 2](#))
- F5** Words in s. 545(5) substituted (with effect in accordance with s. 38(2) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 7 para. 71\(3\)\(a\)](#) (with [Sch. 7 Pt. 2](#))
- F6** Words in s. 545(5) substituted (with effect in accordance with s. 38(2) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 7 para. 71\(3\)\(b\)](#) (with [Sch. 7 Pt. 2](#))

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