



Capital Allowances Act 2001

2001 CHAPTER 2

PART 2

PLANT AND MACHINERY ALLOWANCES

CHAPTER 12

SHIPS

Deferment of balancing charges: supplementary provisions

155 Change in the persons carrying on the qualifying activity

- (1) This section applies if—
- (a) a person is carrying on the qualifying activity previously carried on by the shipowner, and
 - [^{F1}(b) the only changes in the persons carrying on the qualifying activity since the shipowner carried it on are changes—
 - (i) which do not involve all of the persons carrying it on before the changes permanently ceasing to carry it on, or
 - (ii) in respect of which the qualifying activity is treated as continuing under [^{F2}section 948 of CTA 2010].]
- (2) For the purposes of the deferment rules—
- (a) expenditure incurred by a person mentioned in subsection (1)(a) for the purposes of the qualifying activity is to be treated as incurred by the shipowner, and
 - (b) in relation to the giving of any notice, a reference to the shipowner is to be read as a reference to the person carrying on the qualifying activity when the notice is given or is required to be given.

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Cross Heading: Deferment of balancing charges: supplementary provisions. (See end of Document for details)

Textual Amendments

- F1** S. 155(1)(b) substituted (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 1 para. 543](#) (with [Sch. 2](#))
- F2** Words in s. 155(1)(b)(ii) substituted (1.4.2010) (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 1 para. 340](#) (with [Sch. 2](#))

156 Connected persons

(1) For the purposes of the deferment rules a person (“B”) is connected with another person (“A”) at any time if, at that time—

- (a) B is connected (in the sense given in [^{F3} section 575]) with A,
- (b) B is carrying on a qualifying activity previously carried on by A and the condition in subsection (2) is met, or
- (c) B is connected (in the sense given in [^{F4} section 575]) with a person who is carrying on a qualifying activity previously carried on by A and the condition in subsection (2) is met.

[^{F5}(2) The condition is that the only changes in the persons carrying on the qualifying activity since A carried it on are changes—

- (a) which do not involve all of the persons carrying it on before the changes permanently ceasing to carry it on, or
- (b) in respect of which the qualifying activity is treated as continuing under [^{F6}section 948 of CTA 2010].]

(3) If expenditure is incurred by a person who is not the shipowner, the persons connected with him at any time include any person connected with the shipowner at that time as a result of subsection (1).

Textual Amendments

- F3** Words in s. 156(1)(a) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 401](#) (with [Sch. 2](#))
- F4** Words in s. 156(1)(c) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 401](#) (with [Sch. 2](#))
- F5** S. 156(2) substituted (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 1 para. 544](#) (with [Sch. 2](#))
- F6** Words in s. 156(2)(b) substituted (1.4.2010) (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 1 para. 341](#) (with [Sch. 2](#))

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Cross
Heading: Deferment of balancing charges: supplementary provisions.