



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### [<sup>F1</sup>PART 2A

#### STRUCTURES AND BUILDINGS ALLOWANCES

### [<sup>F1</sup>CHAPTER 6

#### HIGHWAY UNDERTAKINGS

##### Textual Amendments

- F1** Pt. 2A inserted (5.7.2019) by [The Capital Allowances \(Structures and Buildings Allowances\) Regulations 2019 \(S.I. 2019/1087\)](#), regs. 1, 2

#### **270FA Carrying on of highway undertakings**

- (1) For the purposes of this Part, the carrying on of a highway undertaking is to be treated as the carrying on of an undertaking by way of trade; and accordingly references in this Part to a trade include a highway undertaking.
- (2) For the purposes of this Part, a person carrying on a highway undertaking is to be treated as occupying, for the purposes of the undertaking, any road in relation to which it is carried on.
- (3) In this Chapter “highway undertaking” means so much of any undertaking relating to the design, building, financing and operation of roads as is carried on—
  - (a) for the purposes of, or
  - (b) in connection with,the exploitation of highway concessions.
- (4) In this Chapter “highway concession”, in relation to a road, means—

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*Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, CHAPTER 6. (See end of Document for details)*

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- (a) a right to receive sums from a public body because the road is or will be used by the general public, or
  - (b) if the road is a toll road, the right to charge tolls in respect of the road.
- (5) In subsection (4) “public body” means the Crown or any government or public or local authority (whether in the United Kingdom or elsewhere).

#### **270FB The relevant interest**

- (1) For the purposes of Chapter 4 (the relevant interest in the building or structure) as it applies to expenditure incurred on the construction of a road, a highway concession is not to be treated as an interest in the road.
- (2) But if the person who incurred the expenditure on the construction of the road—
- (a) was not entitled to an interest in the road when the person incurred the expenditure, but
  - (b) was at that time entitled to a highway concession in respect of the road,
- the highway concession is to be treated as the relevant interest in relation to that expenditure.

#### **270FC Cases where highway concession is to be treated as extended**

- (1) A highway concession in respect of a road is to be treated as extended if—
- (a) the person entitled to the concession takes up a renewed concession in respect of the whole or a part of the road, or
  - (b) that person or a person connected with that person takes up a new concession in respect of—
    - (i) the whole or a part of the road, or
    - (ii) a road that includes the whole or a part of the road.
- (2) But the concession is to be treated as extended only—
- (a) to the extent that the concession which has in fact ended, and the renewed or new concession, relate to the same road, and
  - (b) for the period of the renewed or new concession.
- (3) A person who has ceased to be entitled to a highway concession is treated, for the purposes of this section, as taking up a renewed or new concession if—
- (a) the person is granted a renewed or new concession, or
  - (b) the arrangements for the concession otherwise continue (whether or not those arrangements are legally enforceable).
- (4) For the purposes of subsection (3), it does not matter whether the concession is renewed or replaced, or the arrangements for the concession continue, on the same terms or on modified terms.]

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001,  
CHAPTER 6.