



Capital Allowances Act 2001

2001 CHAPTER 2

[^{F1}PART 3A

BUSINESS PREMISES RENOVATION ALLOWANCES

[^{F1}CHAPTER 6

WRITING-DOWN ALLOWANCES

Textual Amendments

- F1** Pt. 3A inserted (11.4.2007 with effect in accordance with s. 92 of the amending Act) by [Finance Act 2005 \(c. 7\), Sch. 6 para. 1; S.I. 2007/949, art. 2](#)

360I Entitlement to writing-down allowances

- (1) A person is entitled to a writing-down allowance for a chargeable period if he has incurred qualifying expenditure in respect of a qualifying building and, at the end of the chargeable period—
 - (a) the person is entitled to the relevant interest in the qualifying building,
 - (b) the person has not granted a long lease of the qualifying building out of the relevant interest in consideration of the payment of a capital sum, and
 - (c) the qualifying building constitutes qualifying business premises.
- (2) In subsection (1)(b) “long lease” means a lease the duration of which exceeds 50 years.
- (3) Whether the duration of a lease exceeds 50 years is to be determined—
 - (a) in accordance with section 303 of ITTOIA 2005, and
 - (b) without regard to section 360Z3(3) of this Act (new lease granted as a result of the exercise of an option treated as continuation of old lease).

Status: Point in time view as at 18/04/2005.

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

- (4) A person claiming a writing-down allowance may require the allowance to be reduced to a specified amount.

360J Amount of allowance

- (1) The writing-down allowance for a chargeable period is 25% of the qualifying expenditure.
- (2) The allowance is proportionately increased or reduced if the chargeable period is more or less than a year.
- (3) The amount of the writing-down allowance for a chargeable period is limited to the residue of qualifying expenditure.
- (4) For this purpose the residue is ascertained immediately before writing off the writing-down allowance at the end of the chargeable period.

360K Meaning of “the residue of qualifying expenditure”

The residue of qualifying expenditure is the qualifying expenditure that has not yet been written off in accordance with Chapter 9.]

Status:

Point in time view as at 18/04/2005.

Changes to legislation:

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