



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### [<sup>F1</sup> PART 4A

#### FLAT CONVERSION ALLOWANCES

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

#### WRITING-DOWN ALLOWANCES

##### Textual Amendments

- F1** Pt. 4A (ss. 393A-393W) inserted (with effect as mentioned in s. 67 of the amending Act) by [Finance Act 2001 \(c. 9\), s. 67, Sch. 19 Pt. 1](#)

#### **393J 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 flat and, at the end of the chargeable period—
  - (a) the person is entitled to the relevant interest in the flat,
  - (b) the person has not granted a long lease of the flat out of the relevant interest in consideration of the payment of a capital sum, and
  - (c) the flat is a qualifying flat.
- (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 [<sup>F2</sup>sections 243 and 244 of CTA 2009,] and
  - (b) without regard to section 393V(3) (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*Status: Point in time view as at 01/04/2009.*

*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.

**Textual Amendments**

- F2** Words in s. 393J(3)(a) substituted (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 1 para. 506** (with Sch. 2 Pts. 1, 2)

**393K 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.

**393L 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 8.]

**Status:**

Point in time view as at 01/04/2009.

**Changes to legislation:**

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