



Capital Allowances Act 2001

2001 CHAPTER 2

PART 8

PATENT ALLOWANCES

CHAPTER 1

INTRODUCTION

464 Patent allowances

- (1) Allowances are available under this Part if a person incurs qualifying expenditure on the purchase of patent rights.
- (2) In this Part “patent rights” means the right to do or authorise the doing of anything which would, but for that right, be an infringement of a patent.

465 Future patent rights

- (1) References in this Part to expenditure incurred on the purchase of patent rights include expenditure incurred on obtaining a right to acquire future patent rights.
- (2) If a person—
 - (a) incurs expenditure on obtaining a right to acquire future patent rights, and
 - (b) subsequently acquires those rights,the expenditure is to be treated as having been expenditure on the purchase of those rights.
- (3) “A right to acquire future patent rights” means a right to acquire in the future patent rights relating to an invention in respect of which the patent has not yet been granted.
- (4) References in this Part to the proceeds of a sale of patent rights include a sum received from a person which is treated under this section as expenditure incurred by him on the purchase of patent rights.

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

466 Grant of licences

- (1) The acquisition of a licence in respect of a patent is to be treated as the purchase of patent rights.
- (2) The grant of a licence in respect of a patent is to be treated as a sale of part of patent rights.
- (3) But the grant by a person entitled to patent rights of an exclusive licence is to be treated as a sale of the whole of those rights.
- (4) “Exclusive licence” means a licence to exercise those rights to the exclusion of the grantor and all other persons for the period remaining until the rights come to an end.

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Chapter 1.