



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### PART 2

#### PLANT AND MACHINERY ALLOWANCES

### CHAPTER 4

#### FIRST-YEAR QUALIFYING EXPENDITURE

*Types of expenditure which may qualify for first-year allowances*

#### **45D Expenditure on cars with low carbon dioxide emissions**

- (1) Expenditure is first-year qualifying expenditure if—
- (a) it is incurred in the period beginning with 17th April 2002 and ending with 31st March [<sup>F1</sup>2025],
  - (b) it is expenditure on a car which is first registered on or after 17th April 2002 and which is unused and not second-hand,
  - [<sup>F2</sup>(c) the car—
    - (i) is electrically-propelled, or
    - (ii) has low CO<sub>2</sub> emissions, and]
  - (d) the expenditure is not excluded by section 46 (general exclusions).

[<sup>F3</sup>(1A) The Treasury may by order amend subsection (1)(a) so as to extend the period specified.]

- (2) For the purposes of this section [<sup>F4</sup>a car has low CO<sub>2</sub> emissions if it] satisfies the conditions in subsections (3) and (4).
- (3) The first condition is that, when the car is first registered, it is so registered on the basis of [<sup>F5</sup>a qualifying emissions certificate.]

*Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 45D. (See end of Document for details)*

- (4) The second condition is that the applicable CO<sub>2</sub> emissions figure [<sup>F6</sup>in relation to] the car does not exceed [<sup>F7</sup>0] grams per kilometre driven.
- <sup>F8</sup>(5) .....
- <sup>F8</sup>(6) .....
- (7) The Treasury may by order amend the amount from time to time specified in subsection (4).
- (8) In this section any reference to a car [<sup>F9</sup>is to a car within the meaning of section 268A, except that it]—
- (a) includes a reference to a mechanically propelled road vehicle of a type commonly used as a hackney carriage, <sup>F10</sup>...
- <sup>F10</sup>(b) .....
- <sup>F11</sup>(9) .....
- <sup>F11</sup>(10) .....
- <sup>F12</sup>(11) In this section—
- “applicable CO<sub>2</sub> emissions figure” and “qualifying emissions certificate” have the meanings given in section 268C;
- “electrically-propelled” has the meaning given in section 268B.]

#### Textual Amendments

- F1** Word in s. 45D(1)(a) substituted (1.4.2021) by [The Capital Allowances Act 2001 \(Car Emissions\) \(Extension of First-year Allowances\) \(Amendment\) Order 2021 \(S.I. 2021/120\)](#), arts. 1(1), **3(a)**
- F2** S. 45D(1)(c) substituted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by [Finance Act 2009 \(c. 10\)](#), **Sch. 11 para. 14(2)** (with Sch. 11 paras. 30-32)
- F3** S. 45D(1A) inserted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), **s. 64(2)**
- F4** Words in s. 45D(2) substituted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by [Finance Act 2009 \(c. 10\)](#), **Sch. 11 para. 14(3)** (with Sch. 11 paras. 30-32)
- F5** Words in s. 45D(3) substituted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by [Finance Act 2009 \(c. 10\)](#), **Sch. 11 para. 14(4)** (with Sch. 11 paras. 30-32)
- F6** Words in s. 45D(4) substituted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by [Finance Act 2009 \(c. 10\)](#), **Sch. 11 para. 14(5)** (with Sch. 11 paras. 30-32)
- F7** Word in s. 45D(4) substituted (with effect in accordance with art. 1(2)(a) of the amending S.I.) by [The Capital Allowances Act 2001 \(Car Emissions\) \(Extension of First-year Allowances\) \(Amendment\) Order 2021 \(S.I. 2021/120\)](#), arts. 1(1), **3(b)**
- F8** S. 45D(5)(6) omitted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by virtue of [Finance Act 2009 \(c. 10\)](#), **Sch. 11 para. 14(6)** (with Sch. 11 paras. 30-32)
- F9** Words in s. 45D(8) inserted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by [Finance Act 2009 \(c. 10\)](#), **Sch. 11 para. 14(7)(a)** (with Sch. 11 paras. 30-32)
- F10** S. 45D(8)(b) and preceding word omitted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by virtue of [Finance Act 2009 \(c. 10\)](#), **Sch. 11 para. 14(7)(b)** (with Sch. 11 paras. 30-32)
- F11** S. 45D(9)(10) omitted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by virtue of [Finance Act 2009 \(c. 10\)](#), **Sch. 11 para. 14(8)** (with Sch. 11 paras. 30-32)
- F12** S. 45D(11) inserted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by [Finance Act 2009 \(c. 10\)](#), **Sch. 11 para. 14(9)** (with Sch. 11 paras. 30-32)

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**Modifications etc. (not altering text)**

C1 Pt. 2 modified (10.6.2021) by [Finance Act 2021 \(c. 26\)](#), s. 9(1)(a)

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 45D.