



Capital Allowances Act 2001

2001 CHAPTER 2

PART 2

PLANT AND MACHINERY ALLOWANCES

CHAPTER 9

SHORT-LIFE ASSETS

87 Short-life assets provided for leasing

(1) This section applies if—

- (a) plant or machinery is a short-life asset on the basis that it has been provided for leasing but will be used within the designated period for a qualifying purpose (see item 5 of the Table in section 84),
- (b) in a chargeable period ending on or before the four-year cut-off, the short-life asset begins to be used otherwise than for a qualifying purpose, and
- (c) the time when it begins to be so used falls within the first 4 years of the designated period.

(2) If this section applies—

- (a) the short-life asset pool ends without a final chargeable period,
- (b) the available qualifying expenditure in the pool is allocated to the main pool for the chargeable period in which the asset begins to be used otherwise than for a qualifying purpose, and
- (c) the asset ceases to be a short-life asset.