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

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## SCHEDULES

### SCHEDULE 20

#### CAPITAL ALLOWANCES: OFFSHORE OIL INFRASTRUCTURE

##### PART 2

##### CHARGEABLE PERIODS ENDING ON OR AFTER 1ST OR 6TH APRIL 2001

*Ring fence trades: meaning of “abandonment expenditure”*

- 6 (1) Section 163 of the Capital Allowances Act 2001 (c. 2) (meaning of “abandonment expenditure”) is amended as follows.
- (2) In subsection (2)(b), for “the demolition of” substitute “decommissioning”.
- (3) In subsection (2)(b)(ii), at the end insert “or which, when last in use for the purposes of a ring-fence trade, was, or formed part of, such an installation or pipeline.”.
- (4) In subsection (3), for “demolition” substitute “decommissioning”.
- (5) After subsection (4) insert—
- “(4A) In this section “decommissioning”, in relation to any plant or machinery, means—
- (a) demolishing the plant or machinery,
  - (b) preserving the plant or machinery pending its reuse or demolition,
  - (c) preparing the plant or machinery for reuse, or
  - (d) arranging for the reuse of the plant or machinery.
- (4B) In determining whether expenditure is incurred on preserving plant or machinery pending its reuse or demolition, it is immaterial whether the plant or machinery is reused, is demolished or is partly reused and partly demolished.
- (4C) In determining whether expenditure is incurred on preparing plant or machinery for reuse, or on arranging for the reuse of plant or machinery, it is immaterial whether the plant or machinery is in fact reused.”.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2001, Paragraph 6.