



Income Tax Act 2007

2007 CHAPTER 3

PART 8

OTHER RELIEFS

CHAPTER 1

INTEREST PAYMENTS

Loans for plant or machinery

390 Loan to buy plant or machinery for employment use

- (1) This section applies to a loan that is used for capital expenditure on the provision of plant or machinery to which subsection (2) applies.
- (2) This subsection applies to plant or machinery if—
 - (a) it is in use for the purposes of an office or employment held by an individual in the tax year,
 - (b) the plant or machinery belongs to the individual, and
 - (c) the individual is entitled to a capital allowance or liable to a balancing charge in respect of it under Part 2 of CAA 2001 for the tax year.
- (3) An individual is treated as entitled to a capital allowance or liable to a balancing charge in respect of plant or machinery for a tax year (“the later year”) for the purposes of subsection (2)(c) if—
 - (a) the individual has been so entitled or liable for a previous tax year, and
 - (b) no disposal value has been brought into account in respect of it in the later year or any earlier year.
- (4) An individual is also treated as so entitled or liable for the purposes of this section if the individual would be so entitled or liable but for a contribution made by the individual's employer.

Status:

Point in time view as at 03/02/2009.

Changes to legislation:

There are currently no known outstanding effects for the Income Tax Act 2007, Section 390.