



Finance Act 2008

2008 CHAPTER 9

PART 3

CAPITAL ALLOWANCES

Plant and machinery: writing-down allowances and pools

81 Small pools

- (1) CAA 2001 is amended as follows.
- (2) In section 56(2) (amount of allowances and charges), before paragraph (a) insert—
“(za) section 56A (small main pools and special rate pools),”.
- (3) After section 56 insert—

“56A Writing-down allowances for small pools

- (1) This section applies in relation to the main pool and the special rate pool.
- (2) Where the amount by which AQE exceeds TDR is less than or equal to the small pool limit, the amount of the writing-down allowance to which a person is entitled for a chargeable period is the amount by which AQE exceeds TDR.
- (3) The small pool limit is £1,000, except that—
 - (a) if the chargeable period is more or less than a year, it is proportionately increased or reduced, and
 - (b) if the qualifying activity has been carried on for part only of the chargeable period, it is proportionately reduced.
- (4) A person claiming a writing-down allowance under this section may require the allowance to be reduced to a specified amount.
- (5) The Treasury may by order substitute for the amount for the time being specified in subsection (3) such other amount as it thinks fit.

Status: Point in time view as at 24/05/2024.

Changes to legislation: Finance Act 2008, Section 81 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (6) An order under subsection (5) may make such incidental, supplemental, consequential and transitional provision as the Treasury thinks fit.”
- (4) In section 59(1) (definition of unrelieved qualifying expenditure)—
 - (a) after “that period” insert “ (a) ”, and
 - (b) after “TDR” insert “, and
 - (b) where section 56A(2) applies, the person does not claim a writing-down allowance of the amount by which AQE exceeds TDR.”
- (5) The amendments made by this section have effect—
 - (a) for corporation tax purposes, in relation to chargeable periods beginning on or after 1 April 2008, and
 - (b) for income tax purposes, in relation to chargeable periods beginning on or after 6 April 2008.

Status:

Point in time view as at 24/05/2024.

Changes to legislation:

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