

2014 No. 1687

INCOME TAX

CORPORATION TAX

**The Business Premises Renovation Allowances (Amendment)
Regulations 2014**

<i>Made</i> - - - -	<i>30th June 2014</i>
<i>Laid before the House of Commons</i>	<i>1st July 2014</i>
<i>Coming into force</i> - -	<i>22nd July 2014</i>

The Treasury make the following Regulations in exercise of the powers conferred by sections 360B(5), 360C(2)(a) and (3) and 360D(4) of the Capital Allowances Act 2001^(a).

Citation, commencement and effect

1.—(1) These Regulations may be cited as the Business Premises Renovation Allowances (Amendment) Regulations 2014 and come into force on 22nd July 2014.

(2) Regulations 5 and 6 have effect in relation to expenditure incurred on or after that date.

Amendment of the Business Premises Renovation Allowances Regulations 2007

2. The Business Premises Renovation Allowances Regulations 2007^(b) are amended as follows.

Amendment of regulation 2 (interpretation)

3. In regulation 2 after the definition of “the Act” insert—

“General Block Exemption Regulation” means Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union^(c).

Amendment of regulation 3 (designation of areas as disadvantaged areas)

4. In sub-paragraph (a) of regulation 3 for “Assisted Areas Order 2007” substitute “Assisted Areas Order 2014”^(d).

(a) 2001 c. 2; sections 360B, 360C and 360D, together with the other provisions of Part 3A, were inserted by paragraph 1 of Schedule 6 to the Finance Act 2005 (c. 7).
(b) S.I. 2007/945, amended by S.I. 2012/868.
(c) OJ No L 187, 26.6.2014, p1.
(d) S.I. 2014/1508.

Amendment of regulation 4 (meaning of “qualifying business premises”)

5.—(1) For the definition of “relevant trade” in paragraph (2) of regulation 4(a) substitute—

- “(a) in the fishery and aquaculture sector;
- (b) in the coal sector, steel sector, shipbuilding sector or synthetic fibres sector;
- (c) in the transport sector or in related infrastructure;
- (d) relating to the development of broadband networks;
- (e) relating to energy generation, distribution and infrastructure;
- (f) in the primary agricultural production sector; or
- (g) carried on by any undertaking which—
 - (i) is subject to an outstanding recovery order made by virtue of Article 108(2) of the Treaty on the Functioning of the European Union^(b); or
 - (ii) it is reasonable to assume would be regarded as an undertaking in difficulty for the purposes of the General Block Exemption Regulation.”.

(2) After paragraph (4) of regulation 4 insert—

“(5) In this regulation “broadband network”, “coal sector”, “energy generation, distribution and infrastructure”, “fishery and aquaculture sector”, “primary agricultural production sector”, “shipbuilding sector”, “steel sector”, “synthetic fibres sector” and “transport sector” have the same meaning as they have for the purposes of the General Block Exemption Regulation.”.

Amendment of regulation 5 (meaning of “qualifying expenditure”)

6. For paragraph (3)(b) of regulation 5(c) substitute—

“(b) which, together with the current expenditure, would be treated as incurred as part of a single investment project for the purposes of paragraph 13 of Article 14 of the General Block Exemption Regulation.”.

30th June 2014

John Penrose
Stephen Crabb
Two of the Lords Commissioners of Her Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Business Premises Renovation Allowances Regulations 2007 (S.I. 2007/945) (the “Principal Regulations”).

Regulation 1 deals with citation and commencement and regulation 2 introduces the amendments.

Regulation 3 inserts the definition of the General Block Exemption Regulation.

(a) The definition of “relevant trade” was inserted by S.I. 2012/868.

(b) OJ No C 83, 30.3.2010, p47.

(c) Inserted by S.I. 2012/868.

Regulation 4, as a consequence of the Assisted Areas Order 2014 (S.I. 2014/1508), amends regulation 3 of the Principal Regulations in order to designate areas specified as development areas by the Assisted Areas Order 2014 as disadvantaged areas for the purposes of section 360C of the Capital Allowances Act 2001.

Regulation 5 amends the definition of “relevant trade” in regulation 4 of the Principal Regulations by referring to specific trade sectors. The trade sectors affected are those to which Commission Regulation (EU) No 651/2014 (declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union) does not apply (or applies only in specific circumstances).

Regulation 6 amends the definition of “single project investment expenditure” in line with Article 14(13) of the Commission Regulation.

A Tax Information and Impact Note covering this Instrument was published on 26 June 2014 and is available on the following website: <https://www.gov.uk/government/publications/finance-bill-2014-report-stage>.

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