



Finance Act 1991

1991 CHAPTER 31

PART III

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER I

GENERAL

Capital allowances

59 Interaction with VAT capital goods scheme

- (1) The Capital Allowances Act 1990 shall have effect with the amendments specified in Schedule 14 to this Act.
- (2) The amendments made by that Schedule shall have effect in relation to any chargeable period or its basis period ending on or after 6th April 1990.

60 Toll roads

- (1) The Capital Allowances Act 1990 shall be amended as follows.
- (2) Part I (industrial buildings and structures) shall be amended as mentioned in subsections (3) to (6) below.
- (3) In section 3 (writing-down allowances) there shall be inserted at the end—
 - “(5) For the purposes of this section, a person entitled to charge tolls in respect of a road shall be treated as having an interest in the road.”
- (4) In section 18 (definition of “industrial structure”) in subsection (1), after paragraph (d) there shall be inserted—
 - “(da) for the purposes of a toll road undertaking; or”.

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

(5) In section 20 (meaning of “relevant interest”) after subsection (4) there shall be inserted—

“(5) For the purposes of subsections (1) and (2) above, in their application to expenditure incurred on the construction of a toll road, the right to charge tolls in respect of the road shall not be treated as an interest in the road.

(6) Where, in the case of expenditure incurred on the construction of a toll road, the person who incurred the expenditure—

(a) was not for the purposes of subsections (1) and (2) above entitled to an interest in the road when he incurred the expenditure, but

(b) was at that time entitled to charge tolls in respect of the road,

“the relevant interest” means, in relation to that expenditure, the right to charge tolls in respect of the road.”

(6) In section 21 (interpretation) after subsection (5) there shall be inserted—

“(5A) For the purposes of this Part, the carrying on of a toll road undertaking shall be treated as the carrying on of an undertaking by way of trade; and accordingly, references in this Part (except sections 17 and 18) to a trade shall be treated as including references to an undertaking treated by virtue of this subsection as carried on by way of trade.

(5B) For the purposes of this Part, a person carrying on a toll road undertaking shall be treated as occupying for the purposes of the undertaking any toll road comprised in it.”

(7) Part VIII (supplementary provisions) shall be amended as mentioned in subsections (8) and (9) below.

(8) In section 140 (income tax allowances and charges in taxing a trade etc.) at the end there shall be inserted—

“(11) In the application of this section to allowances and charges which fall to be made under the provisions of Part I, references to a trade shall be treated as including references to an undertaking treated by virtue of section 21(5A) as carried on by way of trade.”

(9) In section 144 (corporation tax allowances and charges in taxing a trade) at the end there shall be inserted—

“(4) In the application of subsection (2) above to allowances and charges which fall to be made under the provisions of Part I, references to a trade shall be treated as including references to an undertaking treated by virtue of section 21(5A) as carried on by way of trade.”

(10) This section shall have effect in relation to any chargeable period or its basis period ending on or after 6th April 1991.

61 Hiring motor cars

(1) Section 35 of the Capital Allowances Act 1990 (motor cars) shall be amended as mentioned in subsections (2) and (3) below.

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

- (2) In subsection (2) (reduction of allowance for hiring cars whose retail price when new exceeds £8,000) at the end there shall be inserted the words “; but this subsection shall have effect subject to subsection (3) below.”
- (3) The following subsections shall be inserted after subsection (2)—
- “(3) Subsection (2) above shall not apply where the hiring is under a hire-purchase agreement under which there is an option to purchase exercisable on the payment of a sum equal to not more than 1 per cent. of the retail price of the motor car when new.
- (4) In subsection (3) above “hire-purchase agreement” has the meaning given by section 784(6) of the principal Act.”
- (4) This section shall have effect in relation to any chargeable period or its basis period ending on or after the day on which this Act is passed.