



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### PART 1

#### INTRODUCTION

#### CHAPTER 1

##### CAPITAL ALLOWANCES: GENERAL

### **6 Meaning of “chargeable period”**

- (1) In this Act “chargeable period” means—
  - (a) for income tax purposes, a period of account, or
  - (b) for corporation tax purposes, an accounting period of a company.
- (2) “Period of account” means—
  - (a) in the case of a person entitled to an allowance or liable to a charge in calculating the profits of his trade, profession or vocation, a period for which accounts are drawn up for the purposes of the trade, profession or vocation, and
  - (b) in the case of any other person entitled to an allowance or liable to a charge, a tax year.
- (3) Subsection (2)(a) is subject to subsections (4) to (6).
- (4) If—
  - (a) two periods of account overlap, or
  - (b) one period of account includes another,the period common to both is to be treated as part of the first period of account only.
- (5) If there is a gap between two periods of account, the gap is to be treated as part of the first period of account.

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

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- (6) If a period of account would (apart from this subsection) be longer than 18 months, that period must be treated as divided into separate periods of account—
- (a) the first beginning with the start date of the original period, and
  - (b) each subsequent one beginning with an anniversary of that date,
- so as to ensure that none of the periods of account is longer than 12 months.

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 6.