

SCHEDULES

SCHEDULE 1

Sections 1(6), 2(2) and 6(3).

INVESTMENT GRANTS: DEVELOPMENT AREA EXPENDITURE.

- 1 Subject to the following provisions of this Schedule, the following expenditure on the provision of machinery or plant or of a computer (in this paragraph referred to as "equipment") qualifies as development area expenditure—
 - (a) expenditure in respect of equipment provided for use in an area which is a development area at the time when the expenditure is incurred;
 - (b) expenditure in respect of equipment provided for use in an area which has at that time ceased to be a development area if it is provided under a contract entered into, or for the purposes of a project undertaken, while the area was a development area.
- 2 Expenditure on the production of a prototype qualifies as development area expenditure if, and only if, the Board are satisfied that the prototype is being or was produced in a development area or ought to be treated as so produced.
- 3 Expenditure on the provision of a computer provided for integration with machinery or plant as mentioned in section 2(2)(a) of this Act does not qualify as development area expenditure unless—
 - (a) the machinery or plant is or is to be used in an area which is a development area at the time when the expenditure is incurred ; or
 - (b) the machinery or plant is or is to be used in an area which was a development area at the time when a contract for the provision of the computer was entered into; or
 - (c) the machinery or plant is or is to be used in an area which has ceased to be a development area and was provided for use in that area under a contract entered into, or for the purposes of a project undertaken, while the area was a development area.
- 4 The following expenditure on the provision of works qualifies as development area expenditure—
 - (a) expenditure in respect of works provided in an area which is a development area at the time when the expenditure is incurred ;
 - (b) expenditure in respect of works provided in an area which has at that time ceased to be a development area if the works are provided under a contract entered into, or for the purposes of a project undertaken, while the area was a development area.
- 5 (1) In this Schedule " development area " means, without prejudice to sub-paragraph (2) of this paragraph, any area for the time being specified as such under Part II of this Act, and any reference to a development area shall have effect as if there were included in the development area any locality outside that area which for the time being falls to be treated as if it were included in that area for the purposes of the said Part II.

Status: This is the original version (as it was originally enacted).

- (2) In relation to the provision of an asset before the date of the commencement of this Act, any reference in this Schedule to a development area shall be construed as including a reference to any area which becomes a development area on that date and to any locality outside that area which on that date falls to be treated as if it were included in that area for the purposes of Part II of this Act.
- 6 For the purposes of this Schedule an asset shall be treated as provided for use in an area if, and only if, the Board are satisfied that it is so provided and will continue to be used in that area ; and an asset provided in, or for use in, an area which has ceased to be a development area shall be treated as provided for the purposes of a project undertaken while that area was a development area if, and only if, the Board are satisfied that the following conditions are complied with in respect thereof, that is to say—
- (a) that its provision is required for the execution of the project; and
 - (b) that other assets required for use in that area for the execution of the project have been provided or contracted for at a time when the area was a development area ; and
 - (c) that the assets so provided or contracted for form a substantial proportion of the assets required for the execution of the project.