

SCHEDULES

SCHEDULE 14

CAPITAL ALLOWANCES: VAT CAPITAL GOODS SCHEME

PART I

INDUSTRIAL BUILDINGS AND STRUCTURES

Buildings and structures in enterprise zones

1 In section 1 of the Capital Allowances Act 1990 (enterprise zones) after subsection (1) there shall be inserted—

“(1A) Where the person entitled to the relevant interest in relation to any capital expenditure incurred as mentioned in paragraphs (a) and (b) of subsection (1) above incurs an additional VAT liability in respect of any of that capital expenditure at a time when—

- (a) the building or structure is, or is to be, an industrial building or structure occupied as mentioned in paragraph (a) of that subsection, and
- (b) the site of the building or structure is in an enterprise zone and not more than 10 years have elapsed since the site was first included in the zone,

that liability shall be regarded for the purposes of this Act as capital expenditure incurred on the construction of the building or structure and, subject to the following provisions of this Act, an allowance shall accordingly be made to him under that subsection for the chargeable period related to the incurring of that liability.”