

*These notes refer to the Capital Allowances Act 2001  
(c.2) which received Royal Assent on 22nd March 2001*

# CAPITAL ALLOWANCES ACT 2001

---

## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### *Glossary*

#### **Part 2: Plant and machinery allowances**

#### *Chapter 10: Long-life assets*

#### *Section 104: Disposal value of long-life assets*

436. This section is based on section 38G of CAA 1990. It prevents tax avoidance arrangements designed to accelerate allowances.
437. Subsection (1)(d) refers to “tax advantage”. This is defined in section 577(4).
438. Subsection (3) deals with the “notional written-down value”. This is handled in a different way from section 38G(2) and (3). See *Note 24* in Annex 2.