

*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 16: Partial depreciation subsidies

Section 212: Reduction of allowances and charges on expenditure in single asset pool

777. This section is based on section 80(3), (5)(b) and (6) of CAA 1990. It deals with the reduction of writing-down allowances, balancing allowances and balancing charges if a partial depreciation subsidy is paid.
778. *Subsection (3)* is new and is intended to clarify the position in future years of qualifying expenditure if a first-year allowance has been claimed which was subject to a restriction under this Chapter. See *Note 38* in Annex 2.