

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

# CAPITAL ALLOWANCES ACT 2001

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### *Glossary*

#### **Part 4: Agricultural buildings allowances**

#### *Chapter 3: Qualifying expenditure*

#### **Overview**

1270. This Chapter identifies qualifying expenditure for the purposes of Part 4.
1271. [Section 369](#) gives the general rule about capital expenditure incurred on the construction of an agricultural building which is not sold before it was first used. Broadly, the capital expenditure is qualifying expenditure. It also provides special rules for farmhouses and for buildings only partly used for the purposes of husbandry.
1272. [Section 370](#) deals with expenditure on buildings if the relevant interest is sold before first use of the building. Broadly, the lesser of the construction expenditure and the price paid is qualifying expenditure.
1273. [Section 371](#) apportions expenditure if a person has different relevant interests in different parts of the related agricultural land.