

*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 6: Research and development allowances**

#### *Chapter 1: Introduction*

#### **Overview**

1512. This Chapter introduces R&D allowances. They are given to traders who incur qualifying expenditure. Chapter 2 defines “qualifying expenditure” and contains the condition that the person must be a trader.
1513. [Section 437](#) requires qualifying expenditure on R&D in order for allowances to be given and defines “research and development”.
1514. [Section 438](#) gives the meaning of “expenditure on research and development”. That meaning excludes, with minor exceptions, expenditure on dwellings.