



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### PART 1

#### INTRODUCTION

### CHAPTER 2

#### EXCLUSION OF DOUBLE RELIEF

#### **7 No double allowances**

- (1) If an allowance is made under any Part of this Act to a person in respect of capital expenditure, no allowance is to be made to him under any other Part in respect of—
  - (a) that expenditure, or
  - (b) the provision of any asset to which that expenditure related.
- (2) This section does not apply in relation to Parts 7 and 8 (know-how and patent allowances).

#### **8 No double relief through pooling under Part 2 (plant and machinery allowances)**

- (1) Subsection (2) applies if, under Part 2—
  - (a) any capital expenditure has been allocated to a pool, and
  - (b) an allowance or charge has been made to or on any person in respect of the pool.
- (2) The person to or on whom the allowance or charge has been made is not entitled to an allowance under any Part other than Part 2 in respect of—
  - (a) the expenditure allocated to the pool, or
  - (b) the provision of any asset to which the allocated expenditure related.
- (3) Subsection (4) applies if under any Part other than Part 2 an allowance has been made to a person in respect of any capital expenditure.

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*Status: This is the original version (as it was originally enacted).*

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- (4) The person to whom the allowance has been made is not entitled to allocate to any pool—
  - (a) that expenditure, or
  - (b) any expenditure on the provision of any asset to which the expenditure mentioned in paragraph (a) related.
- (5) This section does not apply in relation to Parts 7 and 8 (know-how and patent allowances).

## **9 Interaction between fixtures claims and other claims**

- (1) A person is not entitled to make a fixtures claim in respect of any capital expenditure relating to an asset if—
  - (a) any person entitled to do so has at any previous time claimed an allowance under any Part other than Part 2, and
  - (b) the claim was for an allowance in respect of capital expenditure relating, in whole or part, to the asset.
- (2) Subsection (1) does not prevent a person making a fixtures claim in respect of capital expenditure if—
  - (a) the only previous claim was under Part 3 or 6 (industrial buildings and research and development allowances), and
  - (b) section 186(2) or 187(2) (limit on amount of expenditure that may be taken into account) applies to that expenditure.
- (3) If a person entitled to do so has made a fixtures claim in respect of capital expenditure relating to an asset, no one is entitled to an allowance on a later claim under any Part other than Part 2 in respect of any capital expenditure relating to the asset.
- (4) A person makes a fixtures claim in respect of expenditure if he makes a claim (in the sense given in section 202(3)) under Chapter 14 of Part 2 in respect of the expenditure as expenditure on the provision of a fixture.

## **10 Interpretation**

- (1) In this Chapter “capital expenditure” includes any contribution to capital expenditure.
- (2) For the purposes of this Chapter—
  - (a) expenditure relates to an asset only if it relates to its provision, and
  - (b) the provision of an asset includes its construction or acquisition.