



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### PART 2

#### PLANT AND MACHINERY ALLOWANCES

#### [<sup>F1</sup>CHAPTER 10A

#### SPECIAL RATE EXPENDITURE

#### *[<sup>F1</sup>Special rate expenditure*

#### Textual Amendments

- F1** Pt. 2 Ch. 10A inserted (with effect in accordance with Sch. 26 para. 14 of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [Sch. 26 para. 2](#)

#### 104A Special rate expenditure

- (1) “Special rate expenditure” means—
- expenditure incurred on or after the [<sup>F2</sup>first] relevant date to which section 28 (thermal insulation) applies,
  - expenditure incurred on or after that date to which section 33A (integral features) applies,
  - long-life asset expenditure (within the meaning of Chapter 10) incurred on or after that date, <sup>F3</sup> ...
  - long-life asset expenditure (within the meaning of that Chapter) incurred before that date but allocated to a pool in a chargeable period beginning on or after that date [<sup>F4</sup>, and
  - expenditure incurred on or after the second relevant date on the provision of a car that is not a main rate car.]

*Status: Point in time view as at 21/07/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Cross Heading: Special rate expenditure. (See end of Document for details)*

- (2) The [<sup>F5</sup>first] relevant date is—
- (a) for corporation tax purposes, 1 April 2008, and
  - (b) for income tax purposes, 6 April 2008.

[ The second relevant date is—

- <sup>F6</sup>(3) (a) for corporation tax purposes, 1 April 2009, and
- (b) for income tax purposes, 6 April 2009.

- (4) In this section—

“car” has the meaning given in section 268A;

“main rate car” has the meaning given in section 104AA.]

#### Textual Amendments

- F2** Word in s. 104A(1)(a) inserted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 11 para. 7\(2\)\(a\)](#) (with [Sch. 11 paras. 30-32](#))
- F3** Word in s. 104A(1)(c) omitted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by virtue of [Finance Act 2009 \(c. 10\)](#), [Sch. 11 para. 7\(2\)\(b\)](#) (with [Sch. 11 paras. 30-32](#))
- F4** S. 104A(1)(e) and preceding word inserted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 11 para. 7\(2\)\(c\)](#) (with [Sch. 11 paras. 30-32](#))
- F5** Word in s. 104A(2) inserted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 11 para. 7\(3\)](#) (with [Sch. 11 paras. 30-32](#))
- F6** S. 104A(3)(4) inserted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 11 para. 7\(4\)](#) (with [Sch. 11 paras. 30-32](#))

#### Meaning of “main rate car”

[<sup>F7</sup>104AA

- (1) “Main rate car” means—
- (a) a car that is first registered before 1 March 2001,
  - (b) a car that has low CO<sub>2</sub> emissions, or
  - (c) a car that is electrically-propelled.
- (2) For the purposes of this section a car has low CO<sub>2</sub> emissions if it meets conditions A and B.
- (3) Condition A is that, when the car is first registered, it is so registered on the basis of a qualifying emissions certificate.
- (4) Condition B is that the applicable CO<sub>2</sub> emissions figure in relation to the car does not exceed 160 grams per kilometre driven.
- (5) The Treasury may by order amend the amount from time to time specified in subsection (4).
- (6) An order under subsection (5) may contain transitional provision and savings.
- (7) In this section—
- “applicable CO<sub>2</sub> emissions figure” and “qualifying emissions certificate” have the meanings given in section 268C;
- “car” has the meaning given in section 268A;

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*Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Cross Heading: Special rate expenditure. (See end of Document for details)*

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“electrically-propelled” has the meaning given in section 268B.]

**Textual Amendments**

- F7** S. 104AA inserted (with effect in accordance with Sch. 11 paras. 26, 27, 28(1) to the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 11 para. 8](#) (with [Sch. 11 paras. 30-32](#))

**104B Application of Chapter to part of expenditure**

- (1) If part only of the capital expenditure on plant and machinery is special rate expenditure—
- (a) the part which is such expenditure, and
  - (b) the part which is not,
- are to be treated for the purposes of this Act as expenditure on separate items of plant or machinery.
- (2) For the purposes of subsection (1), all such apportionments are to be made as are just and reasonable.]

**Status:**

Point in time view as at 21/07/2009.

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001, Cross Heading: Special rate expenditure.