



Capital Allowances Act 2001

2001 CHAPTER 2

PART 2

PLANT AND MACHINERY ALLOWANCES

CHAPTER 3

QUALIFYING EXPENDITURE

Expenditure on thermal insulation [^{F1}and personal security]

Textual Amendments

- F1** Words in s. 27 cross-heading substituted (with effect in accordance with Sch. 39 para. 35 of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 39 para. 34\(3\)\(b\)](#)

27 Application of Part to thermal insulation [^{F2}and personal security]

- (1) Subsection (2) has effect in relation to expenditure if—
- it is expenditure to which [^{F3}section 28 or 33] applies, and
 - an allowance under Part 2 or a deduction in respect of the expenditure could not, in the absence of this section, be made in calculating the income from the qualifying activity in question.
- (2) This Part (including in particular section 11(4)) applies as if—
- the expenditure were capital expenditure on the provision of plant or machinery for the purposes of the qualifying activity in question, and
 - the person who incurred the expenditure owned plant or machinery as a result of incurring it.

*Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001,
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Textual Amendments

- F2** Words in s. 27 heading substituted (with effect in accordance with Sch. 39 para. 35 of the amending Act) by [Finance Act 2012 \(c. 14\)](#), **Sch. 39 para. 34(3)(b)**
- F3** Words in s. 27(1)(a) substituted (with effect in accordance with Sch. 39 para. 35 of the amending Act) by [Finance Act 2012 \(c. 14\)](#), **Sch. 39 para. 34(3)(a)**

28 Thermal insulation of ^{F4}... buildings

- (1) This section applies to expenditure if a person carrying on a qualifying activity [^{F5}other than an ordinary [^{F6}UK] property business or an [^{F7}ordinary overseas] property business] has incurred it in adding insulation against loss of heat to [^{F8}a] building occupied by him for the purposes of [^{F9}the qualifying activity].
- (2) This section also applies to expenditure if a person carrying on a qualifying activity consisting of an ordinary [^{F6}UK][^{F10}property] business [^{F11}or an [^{F7}ordinary overseas] property business] has incurred it in adding insulation against loss of heat to [^{F12}a] building let by him in the course of the business.
- [^{F13}(2A) Subsection (2) is subject to section 35 (expenditure on plant or machinery for use in dwelling-house not qualifying expenditure).
- (2B) This section does not apply to expenditure within subsection (2) if a deduction for that expenditure is allowable—
- (a) under [^{F14}section 251 of CTA 2009], or
 - (b) under section 312 of ITTOIA 2005,
- (deductions for expenditure on energy-saving items).
- (2C) For the purposes of subsection (2B), whether such a deduction is allowable is to be determined without regard to subsection (1)(e) of the section in question.]
- ^{F15}(3)

Textual Amendments

- F4** Word in s. 28 heading omitted (with effect in accordance with s. 71(8) of the amending Act) by virtue of [Finance Act 2008 \(c. 9\)](#), **s. 71(6)**
- F5** Words in s. 28(1) substituted (with effect in accordance with s. 71(8) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 71(2)(a)**
- F6** Word in s. 28(1)(2) inserted (with effect in accordance with Sch. 14 para. 13 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **Sch. 14 para. 12(7)(a)**
- F7** Words in s. 28(1)(2) substituted (with effect in accordance with Sch. 14 para. 13 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **Sch. 14 para. 12(7)(b)**
- F8** Word in s. 28(1) substituted (with effect in accordance with s. 71(8) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 71(2)(b)**
- F9** Words in s. 28(1) substituted (with effect in accordance with s. 71(8) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 71(2)(c)**
- F10** Word in s. 28(2) substituted (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), **Sch. 1 para. 531** (with Sch. 2)
- F11** Words in s. 28(2) inserted (with effect as mentioned in s. 69(2) of the amending Act) by [Finance Act 2001 \(c. 9\)](#), s. 69(1), **Sch. 21 para. 1**

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- F12** Word in s. 28(2) substituted (with effect in accordance with s. 71(8) of the amending Act) by [Finance Act 2008 \(c. 9\), s. 71\(3\)](#)
- F13** S. 28(2A)-(2C) inserted (with effect in accordance with s. 71(8) of the amending Act) by [Finance Act 2008 \(c. 9\), s. 71\(4\)](#)
- F14** Words in s. 28(2B)(a) substituted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\), Sch. 1 para. 480](#) (with [Sch. 2 Pts. 1, 2](#))
- F15** S. 28(3) omitted (with effect in accordance with s. 71(8) of the amending Act) by virtue of [Finance Act 2008 \(c. 9\), s. 71\(5\)](#)

F16²⁹ Fire safety

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Textual Amendments

- F16** S. 29 omitted (with effect in accordance with s. 72(4) of the amending Act) by virtue of [Finance Act 2008 \(c. 9\), s. 72\(1\)](#)

F17³⁰ Safety at designated sports grounds

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Textual Amendments

- F17** S. 30 repealed (with effect in accordance with Sch. 39 para. 35 of the amending Act) by [Finance Act 2012 \(c. 14\), Sch. 39 para. 33\(a\)](#)

F18³¹ Safety at regulated stands at sports grounds

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Textual Amendments

- F18** S. 31 repealed (with effect in accordance with Sch. 39 para. 35 of the amending Act) by [Finance Act 2012 \(c. 14\), Sch. 39 para. 33\(b\)](#)

F19³² Safety at other sports grounds

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Textual Amendments

- F19** S. 32 repealed (with effect in accordance with Sch. 39 para. 35 of the amending Act) by [Finance Act 2012 \(c. 14\), Sch. 39 para. 33\(c\)](#)

33 Personal security

- (1) This section applies to expenditure if—

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- (a) it is incurred by an individual or partnership of individuals in connection with the provision for, or for use by, the individual, or any of the individuals, of a security asset,
 - (b) the individual or partnership is carrying on a relevant qualifying activity, and
 - (c) the special threat conditions are met.
- (2) The special threat conditions are that—
- (a) the asset is provided or used to meet a threat which—
 - (i) is a special threat to the individual’s personal physical security, and
 - (ii) arises wholly or mainly because of the relevant qualifying activity, and
 - (b) the person incurring the expenditure—
 - (i) has the sole object of meeting that threat in incurring that expenditure, and
 - (ii) intends the asset to be used solely to improve personal physical security.
- (3) If—
- (a) the person incurring the expenditure intends the asset to be used solely to improve personal physical security, but
 - (b) there is another use which is incidental to improving personal physical security,
- that other use is ignored for the purposes of this section.
- (4) The fact that an asset improves the personal physical security of any member of the family or household of the individual concerned, as well as that of the individual, does not prevent this section from applying.
- (5) If—
- (a) the asset is not intended to be used solely to improve personal physical security, but the expenditure incurred on it would otherwise be expenditure to which this section applies, and
 - (b) the person incurring the expenditure intends the asset to be used partly to improve personal physical security,
- this section applies only to the proportion of the expenditure attributable to the intended use to improve personal physical security.
- (6) In this section “security asset” means an asset which improves personal security; and here “asset”—
- (a) does not include—
 - (i) a car, ship or aircraft, or
 - (ii) a dwelling or grounds appurtenant to a dwelling, but
 - (b) subject to paragraph (a), includes equipment, a structure (such as a wall) and an asset which becomes fixed to land.
- ^{F20}(7)
- (8) In this section “relevant qualifying activity” means a qualifying activity consisting of—
- (a) a trade,
 - (b) an ordinary [^{F21}UK][^{F22}property] business,

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- (c) a [^{F23}UK furnished] holiday lettings business,
- (d) an [^{F24}ordinary overseas] property business, ^{F25}...
- [^{F26}(da) an EEA furnished holiday lettings business, or]
- (e) a profession or vocation.

Textual Amendments

- F20** S. 33(7) 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. 13](#) (with [Sch. 11 paras. 30-32](#))
- F21** Word in s. 33(8)(b) inserted (with effect in accordance with Sch. 14 para. 13 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 14 para. 12\(8\)\(a\)](#)
- F22** Word in s. 33(8)(b) substituted (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 1 para. 532](#) (with [Sch. 2](#))
- F23** Words in s. 33(8)(c) substituted (with effect in accordance with Sch. 14 para. 13 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 14 para. 12\(8\)\(b\)](#)
- F24** Words in s. 33(8)(d) substituted (with effect in accordance with Sch. 14 para. 13 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 14 para. 12\(8\)\(c\)](#)
- F25** Word in s. 33(8)(d) omitted (with effect in accordance with Sch. 14 para. 13 of the amending Act) by virtue of [Finance Act 2011 \(c. 11\)](#), [Sch. 14 para. 12\(8\)\(d\)](#)
- F26** S. 33(8)(da) inserted (with effect in accordance with Sch. 14 para. 13 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 14 para. 12\(8\)\(d\)](#)

Changes to legislation:

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