



Capital Allowances Act 2001

2001 CHAPTER 2

PART 2

PLANT AND MACHINERY ALLOWANCES

CHAPTER 16

PARTIAL DEPRECIATION SUBSIDIES

210 Reduction of first-year allowances

(1) If—

- (a) a person has incurred qualifying expenditure for the purposes of a qualifying activity carried on by him, and
- (b) it appears that a partial depreciation subsidy is, or will be, payable to him in the period during which the plant or machinery will be used for the purposes of that qualifying activity,

the amount of any first-year allowance in respect of that expenditure must be reduced to an amount which is just and reasonable having regard to the relevant circumstances.

(2) In calculating for the purposes of section 58 the balance left after deducting a first-year allowance, a reduction under subsection (1) is to be disregarded.