



Capital Allowances Act 2001

2001 CHAPTER 2

PART 5

MINERAL EXTRACTION ALLOWANCES

[^{F1}CHAPTER 5A

FIRST-YEAR QUALIFYING EXPENDITURE

Types of expenditure which may qualify for first year allowances

[^{F1}416B Expenditure incurred by company for purposes of a ring fence trade

- (1) Expenditure is first-year qualifying expenditure if—
 - (a) it is incurred on or after 17th April 2002,
 - (b) it is incurred by a company,
 - (c) it is incurred wholly for the purposes of a ring fence trade, and
 - (d) it is not excluded by—
 - (i) subsection (2) (acquisition of mineral asset), or
 - (ii) subsection (3) (acquisition of asset representing expenditure of connected company).
- (2) Expenditure is not first-year qualifying expenditure under this section if it is expenditure on acquiring a mineral asset.
- (3) Expenditure is not first-year qualifying expenditure under this section if it is expenditure incurred by a company on the acquisition of an asset representing expenditure incurred by a company connected with that company.
- (4) To the extent that references in this section to an asset representing expenditure incurred by a company include a reference to an asset representing expenditure on mineral exploration and access, they also include a reference to any results obtained from any search, exploration or inquiry on which any such expenditure was incurred.

Status: Point in time view as at 24/07/2002. This version of this provision has been superseded.

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 416B. (See end of Document for details)

- (5) In this section “ring fence trade” means a ring fence trade in respect of which tax is chargeable under section 501A of the Taxes Act 1988 (supplementary charge in respect of ring fence trades).]

Textual Amendments

- F1** Pt. 5 Ch. 5A inserted (with effect as mentioned in s. 63 of the amending Act) by [Finance Act 2002 \(c. 23\)](#), s. 63, [Sch. 21 para. 9](#)

Status:

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Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 416B.