



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### PART 10

#### ASSURED TENANCY ALLOWANCES

### CHAPTER 6

#### BALANCING ADJUSTMENTS

##### *Calculation of balancing adjustments*

#### **516 Dwelling-house a qualifying dwelling-house throughout**

- (1) This section provides for balancing adjustments in cases where the dwelling-house was a qualifying dwelling-house for the whole of the relevant period of ownership.
- (2) A balancing allowance is made if—
  - (a) there are no proceeds from the balancing event, or
  - (b) the proceeds from the balancing event are less than the residue of qualifying expenditure attributable to the dwelling-house immediately before the event.
- (3) The amount of the balancing allowance is the amount of—
  - (a) the residue (if there are no proceeds);
  - (b) the difference (if the proceeds are less than the residue).
- (4) A balancing charge is made if the proceeds from the balancing event are more than the residue of qualifying expenditure attributable to the dwelling-house immediately before the event.
- (5) The amount of the balancing charge is the amount of the difference.