



Capital Allowances Act 2001

2001 CHAPTER 2

PART 2

PLANT AND MACHINERY ALLOWANCES

CHAPTER 5

ALLOWANCES AND CHARGES

First-year allowances

52 First-year allowances

- (1) A person is entitled to a first-year allowance in respect of first-year qualifying expenditure if—
 - (a) the expenditure is incurred in a chargeable period to which this Act applies, and
 - (b) the person owns the plant or machinery at some time during that chargeable period.
- (2) Any first-year allowance is made for the chargeable period in which the first-year qualifying expenditure is incurred.
- (3) The amount of the allowance is a percentage of the first-year qualifying expenditure in respect of which the allowance is made, as shown in the Table—

Table

Amount of first-year allowances

<i>Type of first-year qualifying expenditure</i>	<i>Amount</i>
--	---------------

F1

F1

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 52. (See end of Document for details)

...	...
F2	F2
...	...
F1	F1
...	...
F3	F3
...	...
[^{F4} Expenditure qualifying under section 45D (expenditure on cars with low CO ₂ emissions)	100%]
[^{F5} Expenditure qualifying under section 45DA (expenditure on zero-emission goods vehicles)	100%]
[^{F6} Expenditure qualifying under section 45E (expenditure on plant or machinery for gas refuelling station)	100%]
[^{F7} Expenditure qualifying under section 45EA (expenditure on plant or machinery for electric vehicle charging point)	100%]
[^{F8} Expenditure qualifying under section 45F (expenditure for use wholly in a ring fence trade)	100%]
F9	F9
...	...
[^{F10} Expenditure qualifying under section 45K (expenditure on plant and machinery for use in designated assisted areas)	100%]
[^{F11} Expenditure qualifying under section 45O (expenditure on plant and machinery for use in [^{F12} special tax sites])	100%]

F13
...

[^{F14}(3A) Subsection (3B) applies where the Treasury make regulations under section 45EA(4) (power to extend relevant period).

(3B) The regulations may amend the amount specified in column 2 of the Table in subsection (3) for expenditure qualifying under section 45EA, but only in relation to expenditure incurred after the date on which the relevant period would have ended but for the regulations.]

(4) A person who is entitled to a first-year allowance may claim the allowance in respect of the whole or a part of the first-year qualifying expenditure.

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 52. (See end of Document for details)

- (5) Subsection (1) needs to be read with section 236 (first-year allowances in respect of additional VAT liabilities) and is subject to—
- [^{F15}section 70DA(2) (transfer and long funding leaseback: no first-year allowance for lessee),]
 - section 205 (reduction of first-year allowance if plant or machinery provided partly for purposes other than those of qualifying activity),
 - section 210 (reduction of first-year allowance if it appears that a partial depreciation subsidy is or will be payable), ^{F16}...
 - [^{F17}section 212T (cap on first-year allowances: zero-emission goods vehicles),
^{F18}...]
 - [^{F19} section 212U (cap on first-year allowances: expenditure on plant and machinery for use in designated assisted areas), and]
 - sections 217[^{F20}, 229A(2)]^{F21}... and 241 (anti-avoidance: no first-year allowance in certain cases).

Textual Amendments

- F1** S. 52(3) entries omitted (21.7.2008) by virtue of [Finance Act 2008 \(c. 9\), s. 76\(5\)\(d\)](#) (with s. 76(7)(8))
- F2** S. 52(3) entry omitted (with effect in accordance with s. 75(5)-(8) of the amending Act) by virtue of [Finance Act 2008 \(c. 9\), s. 75\(3\)\(d\)\(i\)](#)
- F3** Words in s. 52(3) omitted (with effect in accordance with s. 33(5) of the amending Act) by virtue of [Finance Act 2019 \(c. 1\), s. 33\(2\)\(b\)\(v\)\(a\)](#)
- F4** S. 52(3): words in Table added (with effect as mentioned in s. 59 of the amending Act) by [Finance Act 2002 \(c. 23\), s. 59, Sch. 19 para. 5](#)
- F5** Words in s. 52(3) Table inserted (with effect in accordance with Sch. 7 para. 7 of the amending Act) by [Finance \(No. 3\) Act 2010 \(c. 33\), Sch. 7 para. 5\(2\)](#)
- F6** S. 52(3): words in Table added (with effect as mentioned in s. 61 of the amending Act) by [Finance Act 2002 \(c. 23\), s. 61, Sch. 20 para. 5](#)
- F7** Words in s. 52(3) inserted (16.11.2017) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 38\(5\)\(a\)](#)
- F8** Words in s. 52(3) substituted (with effect in accordance with s. 108(2) of the amending Act) by [Finance Act 2008 \(c. 9\), s. 108\(1\)](#)
- F9** Words in s. 52(3) omitted (with effect in accordance with s. 33(5) of the amending Act) by virtue of [Finance Act 2019 \(c. 1\), s. 33\(2\)\(b\)\(v\)\(b\)](#)
- F10** Words in s. 52(3) inserted (with effect in accordance with Sch. 11 para. 8 of the amending Act) by [Finance Act 2012 \(c. 14\), Sch. 11 para. 5\(2\)](#)
- F11** Words in s. 52(3) inserted (10.6.2021) by [Finance Act 2021 \(c. 26\), Sch. 22 para. 5](#)
- F12** Words in s. 52(3) substituted (11.7.2023) by [Finance \(No. 2\) Act 2023 \(c. 30\), Sch. 23 para. 11\(d\)](#)
- F13** Words in s. 52(3) omitted (with effect in accordance with s. 75(5)-(8) of the amending Act) by virtue of [Finance Act 2008 \(c. 9\), s. 75\(3\)\(d\)\(ii\)](#)
- F14** S. 52(3A)(3B) inserted (16.11.2017) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 38\(5\)\(b\)](#)
- F15** Words in s. 52(5) inserted (with effect in accordance with Sch. 32 para. 17 to the amending Act) by [Finance Act 2009 \(c. 10\), Sch. 32 para. 13](#)
- F16** Word in s. 52(5) omitted (with effect in accordance with Sch. 7 para. 7 of the amending Act) by virtue of [Finance \(No. 3\) Act 2010 \(c. 33\), Sch. 7 para. 5\(3\)\(a\)](#)
- F17** Words in s. 52(5) inserted (with effect in accordance with Sch. 7 para. 7 of the amending Act) by [Finance \(No. 3\) Act 2010 \(c. 33\), Sch. 7 para. 5\(3\)\(b\)](#)
- F18** Word in s. 52(5) omitted (with effect in accordance with Sch. 11 para. 8 of the amending Act) by virtue of [Finance Act 2012 \(c. 14\), Sch. 11 para. 5\(3\)\(a\)](#)
- F19** S. 52(5) entry inserted (with effect in accordance with Sch. 11 para. 8 of the amending Act) by [Finance Act 2012 \(c. 14\), Sch. 11 para. 5\(3\)\(b\)](#)

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 52. (See end of Document for details)

- F20** Word in s. 52(5) inserted (with effect in accordance with Sch. 32 para. 22 to the amending Act) by [Finance Act 2009 \(c. 10\)](#), **Sch. 32 para. 19**
- F21** Words in s. 52(5) omitted (with effect in accordance with Sch. 20 para. 6(19) of the amending Act) by virtue of [Finance Act 2008 \(c. 9\)](#), **Sch. 20 para. 6(3)**

Modifications etc. (not altering text)

- C1** S. 52(3) modified (temp.) (with effect in accordance with s. 30(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), **s. 30(1)**

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 52.