



Finance Act 2002

2002 CHAPTER 23

PART 3

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 2

OTHER PROVISIONS

Capital allowances and related matters

59 Cars with low carbon dioxide emissions

Schedule 19 to this Act (first-year allowances in respect of expenditure on cars with low CO₂ emissions and exemption from single asset pool rules) has effect in relation to expenditure incurred on or after 17th April 2002.

60 Expense of hiring cars with low carbon dioxide emissions

(1) In section 578A of the Taxes Act (expenditure on car hire) after subsection (2) (cars to which section 578A applies) insert—

“(2A) This section does not apply to the hiring of a car, other than a motorcycle, if—

- (a) it is an electrically-propelled car, or
- (b) it is a car with low CO₂ emissions.

(2B) In subsection (2A) above—

“car” has the meaning given by section 578B;

“car with low CO₂ emissions” has the meaning given by section 45D of the Capital Allowances Act 2001 (expenditure on cars with low CO₂ emissions to be first-year qualifying expenditure);

Status: This is the original version (as it was originally enacted).

“electrically-propelled car” has the meaning given by that section.”.

- (2) The amendment made by this section has effect in relation to expenditure—
- (a) which is incurred on or after 17th April 2002 on the hiring of a car which is first registered on or after that date, and
 - (b) which is incurred on the hiring of a car, for a period of hire which begins on or before 31st March 2008, under a contract entered into on or before 31st March 2008.

61 Plant or machinery for gas refuelling station: first-year allowances

Schedule 20 to this Act (first-year allowances in respect of expenditure on plant or machinery for gas refuelling station) has effect in relation to expenditure incurred on or after 17th April 2002.

62 Expenditure on green technologies: leasing

- (1) In section 46 of the Capital Allowances Act 2001 (c. 2) (general exclusions affecting first-year qualifying expenditure) after subsection (4) (which is inserted by Schedule 19) insert—

“(5) General exclusion 6 does not prevent expenditure being first-year qualifying expenditure under section 45A, 45D or 45E.”.

- (2) The amendment made by this section has effect in relation to expenditure incurred on or after 17th April 2002.

63 First-year allowances for expenditure wholly for a ring fence trade

- (1) Schedule 21 to this Act shall have effect.

- (2) In that Schedule—

- (a) Part 1 makes provision for and in connection with first-year allowances under Part 2 of the Capital Allowances Act 2001 in respect of expenditure incurred by a company on the provision of plant or machinery for use wholly for the purposes of a ring fence trade chargeable to tax under section 501A of the Taxes Act 1988 (inserted by section 91 of this Act); and
- (b) Part 2 makes provision for and in connection with first-year allowances under Part 5 of that Act (mineral extraction allowances) in respect of expenditure incurred by a company wholly for the purposes of such a trade.

- (3) The amendments made by that Schedule have effect in relation to expenditure incurred on or after 17th April 2002.