

SCHEDULES

SCHEDULE 1

CAPITAL ALLOWANCES

PART 3

AMENDMENTS OF PART 2 OF CAA 2001: PLANT AND MACHINERY ALLOWANCES

6 (1) Section 61 (disposal events and disposal values) is amended as follows.

(2) In the Table in subsection (2)—

- (a) in item 1, in the first column, after “item 2” insert “ or 2A ”, and
- (b) after item 2 insert—

“2A. Sale of the plant or machinery where—	The market value of the plant or
(a) the sale is at less than market value,	machinery at the time of the sale.”
(b) the condition in subsection (4A) is met	
by the seller, and	
(c) the condition in subsection (4B) is met	
by the buyer.	

(3) After subsection (4) insert—

“(4A) The condition referred to in paragraph (b) of item 2A in the Table is met by the seller if—

- (a) the seller is—
 - (i) a company, or
 - (ii) a partnership whose partners include one or more companies, and
- (b) before the sale the plant or machinery is used wholly or partly for the purposes of a qualifying activity that is not an NI rate activity.

(4B) The condition referred to in paragraph (c) of item 2A in the Table is met by the buyer if—

- (a) the buyer is a Northern Ireland SME company, a NIRE company or a Northern Ireland firm in the chargeable period of the buyer in which the plant or machinery is bought,
- (b) the buyer's expenditure on the acquisition of the plant or machinery is qualifying expenditure under this Part or Part 6 (research and development allowances), and
- (c) the plant or machinery is used by the buyer wholly or partly for the purposes of an NI rate activity.”

Changes to legislation:

There are currently no known outstanding effects for the Corporation Tax (Northern Ireland) Act 2015, Paragraph 6.