



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### [<sup>F1</sup>PART 4

#### AGRICULTURAL BUILDINGS ALLOWANCES

### CHAPTER 6

#### SUPPLEMENTARY PROVISIONS

#### *[<sup>F1</sup> Giving effect to allowances and charges*

#### Textual Amendments

- F1** Pt. 4 omitted (with effect in relation to chargeable periods beginning on or after 1.4.2011 for corporation tax purposes and 6.4.2011 for income tax purposes in accordance with ss. 84(1)(3)(4), 85 of the amending Act) by virtue of [Finance Act 2008 \(c. 9\), s. 84\(2\)](#) (with [Sch. 27](#))

#### 391 Trades

An allowance or charge to which a person is entitled or liable under this Part is to be given effect in calculating the profits of that person's trade, by treating—

- (a) the allowance as an expense of the trade, and
- (b) the charge as a receipt of the trade.]

#### 392 [<sup>F2</sup>UK property businesses]

- (1) This section applies if a person who is entitled or liable to an allowance or charge for a chargeable period was not carrying on a trade in that period.

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**Changes to legislation:** There are currently no known outstanding effects for the Capital Allowances Act 2001, Cross Heading: Giving effect to allowances and charges. (See end of Document for details)

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- (2) If the person was carrying on [<sup>F3</sup>a UK property business <sup>F4</sup>... ] at any time in that period, the allowance or charge is to be given effect in calculating the profits of that business, by treating—
- (a) the allowance as an expense of that business, and
  - (b) the charge as a receipt of that business.
- [<sup>F5</sup>(2A) If the person<sup>F6</sup>... was not carrying on a UK property business at any time in that period, the allowance or charge is to be given effect by [<sup>F7</sup>treating the person as having carried on] such a business in that period and as if—
- (a) the allowance were an expense of that business, and
  - (b) the charge were a receipt of that business.]
- <sup>F8</sup>(3) .....

#### Textual Amendments

- F2** S. 392 heading substituted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\), Sch. 1 para. 504\(5\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F3** Words in s. 392(2) substituted (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 558\(2\)](#) (with [Sch. 2](#))
- F4** Words in s. 392(2) repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\), Sch. 1 para. 504\(2\), Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))
- F5** S. 392(2A) inserted (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 558\(3\)](#) (with [Sch. 2](#))
- F6** Words in s. 392(2A) repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\), Sch. 1 para. 504\(3\)\(a\), Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))
- F7** Words in s. 392(2A) substituted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\), Sch. 1 para. 504\(3\)\(b\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F8** S. 392(3) repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\), Sch. 1 para. 504\(4\), Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001, Cross  
Heading: Giving effect to allowances and charges.