
Status: Point in time view as at 01/11/2016.

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Paragraph 101. (See end of Document for details)

SCHEDULES

SCHEDULE 3

TRANSITIONALS AND SAVINGS

PART 9

PATENT ALLOWANCES

Expenditure incurred before 1st April 1986

Giving effect to allowances and charges

- 101 (1) Sub-paragraph (2) applies if—
- (a) a person is entitled to a writing-down allowance or a balancing allowance or liable to a balancing charge in respect of qualifying expenditure, and
 - (b) the trade use condition is met.
- (2) The allowance or charge 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.
- (3) Sub-paragraph (4) applies if—
- (a) a person is entitled to a writing-down allowance or a balancing allowance or liable to a balancing charge in respect of qualifying expenditure, and
 - (b) the trade use condition is not met.
- (4) Sections 479 and 480 apply in relation to giving effect to the allowance or charge referred to in sub-paragraph (3) as they apply in relation to giving effect to an allowance or charge under Chapter 3 of Part 8 in respect of qualifying non-trade expenditure.
- (5) For the purposes of Part 8 a person's "income from patents" includes balancing charges to which the person is liable in respect of qualifying expenditure.

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