



Capital Allowances Act 2001

2001 CHAPTER 2

PART 2

PLANT AND MACHINERY ALLOWANCES

CHAPTER 1

INTRODUCTION

14 Use for qualifying activity of plant or machinery which is a gift

- (1) This section applies if a person—
 - (a) is the owner of plant or machinery as a result of a gift, and
 - (b) brings the plant or machinery into use for the purposes of a qualifying activity carried on by him.
- (2) The person is to be treated—
 - (a) as having incurred capital expenditure on the provision of the plant or machinery for the purposes of the qualifying activity on the date on which it is brought into use for those purposes, and
 - (b) as owning the plant or machinery as a result of having incurred that expenditure.
- (3) The amount of that capital expenditure is to be treated as being the market value of the plant or machinery on the date when it was brought into use for the purposes of the qualifying activity.
- (4) The question whether the provision of the plant or machinery is to be treated as wholly or only partly for the purposes of the qualifying activity is to be determined according to whether the use referred to in subsection (1)(b) is wholly or only partly for those purposes.
- (5) This section is subject to section 161 (pre-trading expenditure on mineral exploration and access).