



Capital Allowances Act 2001

2001 CHAPTER 2

PART 2

PLANT AND MACHINERY ALLOWANCES

CHAPTER 19

GIVING EFFECT TO ALLOWANCES AND CHARGES

Property businesses

249 **Furnished holiday lettings businesses**

- (1) If the qualifying activity of a person who is entitled or liable to an allowance or charge for a chargeable period is a furnished holiday lettings business, 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.
- (2) Section 503 of ICTA (letting of furnished holiday accommodation treated as trade for purposes of loss relief rules, etc.) applies to profits calculated in accordance with subsection (1).