

## SCHEDULES

### SCHEDULE 21

#### FIRST-YEAR ALLOWANCES FOR EXPENDITURE WHOLLY FOR A RING FENCE TRADE

##### PART 1

##### PLANT AND MACHINERY

*First-year qualifying expenditure: plant and machinery for use wholly in a ring fence trade*

3 After section 45E (which is inserted by Schedule 20 to this Act) insert—

**“45F Expenditure on plant and machinery for use wholly in a ring fence trade**

- (1) Expenditure is first-year qualifying expenditure if—
  - (a) it is incurred on or after 17th April 2002,
  - (b) it is incurred by a company,
  - (c) it is incurred on the provision of plant or machinery for use wholly for the purposes of a ring fence trade, and
  - (d) it is not excluded by section 46 (general exclusions).
- (2) This section is subject to section 45G (plant or machinery used for less than five years in a ring fence trade).
- (3) In this section “ring fence trade” means a ring fence trade in respect of which tax is chargeable under section 501A of the Taxes Act 1988 (supplementary charge in respect of ring fence trades).”

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2002, Paragraph 3.