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**Changes to legislation:** There are currently no known outstanding effects for the Finance Act 2005, Cross  
Heading: The ring fence: capital allowances: general: introduction. (See end of Document for details)

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## SCHEDULES

### SCHEDULE 7

#### TONNAGE TAX

##### PART 1

##### AMENDMENTS OF SCHEDULE 22 TO FA 2000

##### *The ring fence: capital allowances: general: introduction*

- 12 (1) Paragraph 68 is amended as follows.
- (2) In sub-paragraph (2) (description of general scheme of Part 9 of Schedule 22) for paragraph (c) substitute—
- “(c) on leaving tonnage tax—
- (i) a company is treated as having incurred qualifying expenditure on its tonnage tax plant and machinery assets of an amount equal to the lower of cost and market value, where it leaves tonnage tax on expiry of an election or on the taking effect of a withdrawal notice, but
  - (ii) otherwise, a company is put broadly in the position it would have been in if it had never been subject to tonnage tax.”.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2005, Cross Heading: The ring fence: capital allowances: general: introduction.