

FINANCE ACT 2012

EXPLANATORY NOTES

INTRODUCTION

Section 43 Schedule 10 Plant and Machinery Allowances: Fixtures

Summary

1. [Section 43](#) and Schedule 10 make the availability of capital allowances to a purchaser of fixtures conditional on: (i) previous business expenditure on qualifying fixtures being pooled before a subsequent transfer on to another person, (ii) the value of fixtures being fixed formally within two years of a transfer. However, in relation to the rule at (ii), there is an alternative method of fixing the value that applies only in some (narrowly defined) cases where an intermediate owner or lessee, who was not entitled to claim an allowance, had failed to determine a fixtures apportionment with the past owner. In addition, the new provisions make a technical adjustment in respect of the Business Premises Renovation Allowances (BPRA) scheme, to enable a new owner to claim plant and machinery capital allowances on any fixtures expenditure not already relieved by BPRA.