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*Changes to legislation: There are currently no known outstanding effects  
for the Finance Act 2022, PART 1. (See end of Document for details)*

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## SCHEDULES

### SCHEDULE 16

#### FREEPORT TAX SITE RELIEFS: PROVISION ABOUT REGULATIONS

##### PART 1

###### FIRST-YEAR ALLOWANCE FOR PLANT AND MACHINERY

- 1 Part 2 of CAA 2001 (plant and machinery allowances) is amended in accordance with paragraphs 2 and 3.
- 2 In section 45O (expenditure on plant and machinery for use in freeport tax sites), in subsection (7), for the entry relating to section 45R substitute “section 45R (effect of failing to comply with ongoing requirements) and regulations under that section, and”.
- 3 (1) Section 45R (effect of plant or machinery subsequently being primarily for use outside freeport tax sites) is amended as follows.
  - (2) In the heading, for the words from “plant” to the end substitute “failing to comply with ongoing requirements”.
  - (3) After subsection (3) insert—
    - “(3A) The Treasury may by regulations make provision adding, removing or altering, or otherwise about, circumstances in which expenditure on the provision of plant or machinery is to be treated as never having been first-year qualifying expenditure under section 45O.
    - (3B) The power to make regulations under subsection (3A) may be exercised only in relation to expenditure incurred on or after the date on which the regulations come into force.
    - (3C) Subsections (3) and (4) of section 45P apply in relation to regulations under subsection (3A) as they apply in relation to regulations under that section.”
  - (4) In subsection (4), at the end insert “or regulations under subsection (3A)”.
  - (5) In subsection (5), after “this section” insert “or of regulations under subsection (3A)”.
  - (6) In subsection (6), at the end insert “or of regulations under subsection (3A)”.
- 4 (1) Section 570B of CAA 2001 (orders and regulations made by Treasury or Commissioners) is amended as follows.
  - (2) In subsection (3), after “section 45P,” insert “45R,”.
  - (3) In subsection (4), after “section 45P” insert “, 45R”.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2022, PART 1.