



Capital Allowances Act 1990

1990 CHAPTER 1

PART I

INDUSTRIAL BUILDINGS AND STRUCTURES

CHAPTER III

PROVISIONS SUPPLEMENTARY TO CHAPTERS I AND II

19 Meaning of “qualifying hotel”

- (1) For the purposes of this Part, a qualifying hotel is an hotel the accommodation in which is in a building or buildings of a permanent nature and which complies with the following requirements—
 - (a) that it is open for at least four months in the season; and
 - (b) that during the time when it is open in the season—
 - (i) it has at least 10 letting bedrooms;
 - (ii) the sleeping accommodation offered at the hotel consists wholly or mainly of letting bedrooms; and
 - (iii) the services provided for guests normally include the provision of breakfast and an evening meal, the making of beds and the cleaning of rooms.
- (2) In subsection (1) above “the season” means April, May, June, July, August, September and October; and for the purposes of that subsection a letting bedroom is a private bedroom available for letting to the public generally and not normally in the same occupation for more than one month.
- (3) Subject to subsection (4) below, any question whether an hotel complies with the requirements in subsection (1)(a) and (b) above at any time in a person’s chargeable period or its basis period shall be determined—
 - (a) if the hotel has been in use for the purposes of the trade carried on by that person or by such a lessee as is mentioned in section 1(3) throughout the 12

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months ending with the last day of that chargeable period or its basis period, by reference to those 12 months;

- (b) if the hotel was first so used on a date after the beginning of those 12 months by reference to the 12 months beginning with that date;

but an hotel shall not by virtue of this subsection be treated as complying with those requirements at any time in a chargeable period or its basis period after it has ceased altogether to be used.

- (4) Where, during the 12 months mentioned in subsection (3)(a) above, an hotel had fewer than 10 letting bedrooms until a date too late for it to qualify by reference to those 12 months, it may instead qualify under subsection (3)(b) by reference to the 12 months beginning with that date as if it had then first been used.
- (5) For the purposes of this section—
 - (a) there shall be treated as included in a qualifying hotel any building (whether or not on the same site as any other part of the hotel) which is provided by the person carrying on the hotel for the welfare of workers employed in the hotel and is in use for that purpose; and
 - (b) where a qualifying hotel is carried on by an individual, whether alone or in partnership, there shall be treated as excluded from the hotel any accommodation which, during the time when the hotel is open in the season, is normally used as a dwelling by that person or by any member of his family or household.
- (6) Subsections (1) to (5) above do not apply in any case where the expenditure in question was incurred before 12th April 1978, and expenditure shall not be treated for the purposes of this subsection as having been incurred after the date on which it was in fact incurred by reason only of section 10(1).