



Capital Allowances Act 1990

1990 CHAPTER 1

PART I

INDUSTRIAL BUILDINGS AND STRUCTURES

CHAPTER II

WRITING-DOWN ALLOWANCES, BALANCING ALLOWANCES AND BALANCING CHARGES

7 Other hotels

- (1) Subject to the following provisions of this section, this Part, except Chapter I, shall apply in relation to a qualifying hotel as if it were an industrial building or structure, with the following modifications—
 - (a) where, after a building has ceased to be a qualifying hotel otherwise than on the occurrence of an event to which section 4(1) applies, a period of two years elapses in which it is not a qualifying hotel and without the occurrence of any such event, this Chapter and Chapter III shall have effect as if—
 - (i) the relevant interest in the building had been sold at the end of that period; and
 - (ii) the net proceeds of the sale were equal to the price which that interest would then have fetched if sold in the open market;
 - (b) references in this Chapter and Chapter III to expenditure on the construction of a building or structure shall not include references to expenditure incurred in taking any such steps as are mentioned in section 69.
- (2) Subsection (1)(a) above has effect subject to section 15(1); but a building shall not by virtue of that section be deemed to continue to be a qualifying hotel for more than two years after the end of the chargeable period or its basis period in which it falls temporarily out of use.
- (3) Subsection (1)(b) above shall not have effect in relation to any chargeable period or its basis period ending after 26th July 1989.