

*These notes refer to the Capital Allowances Act 2001
(c.2) which received Royal Assent on 22nd March 2001*

CAPITAL ALLOWANCES ACT 2001

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Glossary

Part 12: Supplementary provisions

Chapter 5: Miscellaneous

Section 564 Questions to which procedure in section 563 applies

1960. *Section 564* sets out the general cases in which the procedure in section 563 applies to decide:
- apportionment of a sum for Parts 3 to 12; and
 - market value for Part 2 and the other provisions listed.
1961. The procedure in section 563 is also applied in two other, particular circumstances over and above these general types which it would not be helpful to deal with here. See sections 357(6) and 561(4).
1962. The omission of Part 2 (plant and machinery) from *subsection (1)* might be thought odd. But there is no need for the procedure in section 563 for Part 2 generally. It is only directly relevant for market value – dealt with by subsection (2)(a). The procedure in section 563 could, however, apply to of plant and machinery indirectly. For example on a sale of plant and machinery with other property, the sale proceeds would fall to be apportioned under section 562. That apportionment could affect the tax of both the buyer and seller.
1963. *Subsection (4)* applies section 564 to cases procedures in which section 561(3) applies. This is a change because section 152B of CAA 1990 (which is the origin of section 561) contains its own apportionment arbitration rules. See *Change 63* in Annex 1.