



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### PART 10

#### ASSURED TENANCY ALLOWANCES

### CHAPTER 8

#### SUPPLEMENTARY PROVISIONS

#### 529 Giving effect to allowances and charges

- (1) If a person who is entitled or liable to an allowance or charge for a chargeable period was carrying on [<sup>F1</sup>a UK property business<sup>F2</sup>... ] at any time in that period, the allowance or charge is to be given effect in calculating the profits of that business, by treating—
- (a) the allowance as an expense of that business, and
  - (b) the charge as a receipt of that business.

- [<sup>F3</sup>(1A) If the person entitled or liable to an allowance or charge for a chargeable period<sup>F4</sup>... was not carrying on a UK property business at any time in that period, the allowance or charge is to be given effect by [<sup>F5</sup>treating the person as having carried on] such a business in that period and as if—
- (a) the allowance were an expense of that business, and
  - (b) the charge were a receipt of that business.]

<sup>F6</sup>(2) .....

#### Textual Amendments

- F1** Words in s. 529(1) substituted (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 569\(2\)](#) (with Sch. 2)
- F2** Words in s. 529(1) repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\), Sch. 1 para. 515\(2\), Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

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*Changes to legislation:* There are currently no known outstanding effects for the Capital Allowances Act 2001, Chapter 8. (See end of Document for details)

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| <b>F3</b> | S. 529(1A) inserted (with effect in accordance with s. 883(1) of the amending Act) by <b>Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 569(3)</b> (with Sch. 2)                            |
| <b>F4</b> | Words in s. 529(1A) repealed (with effect in accordance with s. 1329(1) of the amending Act) by <b>Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 515(3)(a), Sch. 3 Pt. 1</b> (with Sch. 2 Pts. 1, 2) |
| <b>F5</b> | Words in s. 529(1A) substituted (with effect in accordance with s. 1329(1) of the amending Act) by <b>Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 515(3)(b)</b> (with Sch. 2 Pts. 1, 2)            |
| <b>F6</b> | S. 529(2) repealed (with effect in accordance with s. 1329(1) of the amending Act) by <b>Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 515(4), Sch. 3 Pt. 1</b> (with Sch. 2 Pts. 1, 2)              |

### **530 Apportionment of sums partly referable to non-qualifying assets**

- (1) If the sum paid for the sale of the relevant interest in a building is attributable—
  - (a) partly to assets representing expenditure for which an allowance can be made under this Part, and
  - (b) partly to assets representing other expenditure,  
 only so much of the sum paid as on a just and reasonable apportionment is attributable to the assets referred to in paragraph (a) is to be taken into account for the purposes of this Part.
- (2) Subsection (1) applies to other proceeds from a balancing event in respect of a building as it applies to a sum given for the sale of the relevant interest in the building.
- (3) Subsection (1) does not affect any other provision of this Part requiring an apportionment of the proceeds of a balancing event.

### **531 Meaning of “dwelling-house”, “lease” etc.**

- (1) In this Part “dwelling-house” has the same meaning as in the Rent Act 1977 (c. 42).
- (2) In this Part “lease” includes—
  - (a) an agreement for a lease if the term to be covered by the lease has begun, and
  - (b) any tenancy,  
 but does not include a mortgage (and “lessee”, “lessor” and “leasehold interest” are to be read accordingly).
- (3) In the application of this Part to Scotland—
  - (a) “leasehold interest” means the interest of a tenant in property subject to a lease, and
  - (b) any reference to an interest which is reversionary on a leasehold interest or on a lease is to be read as a reference to the interest of the landlord in the property subject to the leasehold interest or lease.

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001, Chapter 8.