



Capital Allowances Act 2001

2001 CHAPTER 2

PART 2

PLANT AND MACHINERY ALLOWANCES

CHAPTER 20

SUPPLEMENTARY PROVISIONS

Miscellaneous

269 Use of plant or machinery for business entertainment

- (1) If—
- (a) a person carrying on a qualifying activity, or
 - (b) an employee of that person,
- provides business entertainment in connection with that activity, the use of plant or machinery for providing the entertainment is to be treated as use for purposes other than those of that activity.
- (2) For the purposes of this section—
- (a) “entertainment” includes hospitality of any kind, and
 - (b) the use of an asset for providing entertainment includes the use of an asset for providing anything incidental to the entertainment.
- (3) “Business entertainment” does not include anything provided by a person for employees unless its provision for them is incidental to its provision for others.
- (4) “Business entertainment” does not include the use of plant or machinery for the provision of anything by a person if—
- (a) it is a function of that person’s qualifying activity to provide it, and
 - (b) it is provided by that person in the ordinary course of that qualifying activity—

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

- (i) for payment, or
 - (ii) free of charge with the object of advertising to the public generally.
- (5) For the purposes of this section—
- (a) directors of a company, or
 - (b) persons engaged in the management of a company,
- are to be regarded as employed by the company.

270 Shares in plant or machinery

- (1) This Part applies in relation to a share in plant or machinery as it applies (under section 571) in relation to a part of plant or machinery.
- (2) For the purposes of this Part, a share in plant or machinery is treated as used for the purposes of a qualifying activity so long as, and only so long as, the plant or machinery is used for the purposes of the qualifying activity.

Changes to legislation:

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