



Capital Allowances Act 2001

2001 CHAPTER 2

[^{F1}PART 2A

STRUCTURES AND BUILDINGS ALLOWANCES

[^{F1}[^{F2}CHAPTER 2A

[^{F3}SPECIAL TAX SITE QUALIFYING EXPENDITURE]

Textual Amendments

- F1** Pt. 2A inserted (5.7.2019) by [The Capital Allowances \(Structures and Buildings Allowances\) Regulations 2019 \(S.I. 2019/1087\)](#), regs. 1, 2
- F2** Pt. 2A Ch. 2A inserted (10.6.2021) by [Finance Act 2021 \(c. 26\)](#), [Sch. 22 para. 10](#)
- F3** Words in [Pt. 2A Ch. 2A](#) substituted (11.7.2023) by [Finance \(No. 2\) Act 2023 \(c. 30\)](#), [Sch. 23 para. 13\(b\)](#)

270BNAMeaning of “[^{F3}special tax site qualifying expenditure]”

- (1) In this Part, qualifying expenditure incurred on the construction or acquisition of a building or structure is “[^{F3}special tax site qualifying expenditure]” if conditions A to E are met.
- (2) Condition A is that construction of the building or structure begins at a time when the area in which the building or structure is situated is a [^{F4}special tax site].
- (3) Condition B is that the building or structure is first brought into qualifying use by the person entitled to the allowance under this Part—
 - (a) at a time when the area in which the building or structure is situated is a [^{F4}special tax site], and
 - (b) on or before [^{F5}the applicable sunset date in relation to the special tax site concerned (as to which see [section 332\(4\)](#) and [\(5\)](#) of F(No.2)A 2023)].

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, CHAPTER 2A. (See end of Document for details)

- (4) Condition C is that the qualifying expenditure is incurred—
- (a) at a time when the area in which the building or structure is situated is a [^{F4}special tax site], and
 - (b) on or before [^{F6}the applicable sunset date in relation to the special tax site concerned].
- (5) Condition D is that the person who incurs the qualifying expenditure is within the charge to income tax or corporation tax when it is incurred.
- (6) Condition E is that an allowance statement—
- (a) made for the purposes of section 270IA by the person who incurred the qualifying expenditure, and
 - (b) relied on for the purposes of the first valid claim for an allowance under this Part in respect of that expenditure,
- states that the person wants the expenditure to be [^{F3}special tax site qualifying expenditure].
- (7) For the purposes of subsection (2), the construction of a building or structure is treated as beginning when the first contract for works to be carried out in the course of the construction of that particular building or structure (whether or not the contract also relates to the construction of other buildings or structures) is entered into.
- (8) This section is subject to regulations under section 270BNC.

Textual Amendments

- F4** Words in Pt. 2A Ch. 2A substituted (11.7.2023) by Finance (No. 2) Act 2023 (c. 30), Sch. 23 para. 14(b)
- F5** Words in s. 270BNA(3)(b) substituted (11.7.2023) by Finance (No. 2) Act 2023 (c. 30), s. 332(3)(a)(i)(4)
- F6** Words in s. 270BNA(4)(b) substituted (11.7.2023) by Finance (No. 2) Act 2023 (c. 30), s. 332(3)(a)(ii)(4)

270BNBApportionment

- (1) Subsection (2) applies if, on the later of—
- (a) the day on which the building or structure is first brought into non-residential use, and
 - (b) the day on which the qualifying expenditure is incurred,
- a building or structure is situated only partly in an area that is a [^{F4}special tax site].
- (2) Only so much of the qualifying expenditure as, on a just and reasonable apportionment, is attributable to the part situated in the [^{F4}special tax site] is to be treated as [^{F3}special tax site qualifying expenditure].
- (3) Subsection (4) applies if a building or structure is first brought into qualifying use by the person entitled to the allowance under this Part partly on or before [^{F7}the applicable sunset date in relation to the special tax site concerned] and partly after that date.
- (4) Only so much of the qualifying expenditure as, on a just and reasonable apportionment, is attributable to the part first brought into qualifying use by that person on or before that date is to be treated as [^{F3}special tax site qualifying expenditure].

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, CHAPTER 2A. (See end of Document for details)

Textual Amendments

- F4** Words in Pt. 2A Ch. 2A substituted (11.7.2023) by Finance (No. 2) Act 2023 (c. 30), Sch. 23 para. 14(b)
- F7** Words in s. 270BNB(3) substituted (11.7.2023) by Finance (No. 2) Act 2023 (c. 30), s. 332(3)(b)(4)

270BNC Power to amend meaning of “[^{F3}special tax site qualifying expenditure]” [^{F8} etc]

- (1) The Treasury may by regulations
- [^{F9}(a)] change the conditions that must be met in order for qualifying expenditure to be “[^{F3}special tax site qualifying expenditure]” for the purposes of this Part (whether by adding, removing or altering conditions) [^{F10}], or
- (b) make provision adding, removing or altering, or otherwise about, circumstances in which qualifying expenditure is to be treated as if it were—
- (i) [^{F3}special tax site qualifying expenditure], or
- (ii) other qualifying expenditure,
- including provision about assessments, adjustments to assessments, returns, amendments of returns and penalties.]
- (2) Regulations under this section—
- (a) may not remove the requirement for the building or structure to be situated in an area that is a [^{F4}special tax site], but
- (b) may alter the time when that requirement must be satisfied.
- (3) Regulations under this section may, among other things—
- (a) make provision by reference to the expenditure, the building or structure, the person who incurred the expenditure or a person who is or has been connected with that person;
- (b) impose conditions relating to accounts or other records;
- (c) impose other conditions requiring a person to take steps specified in the regulations;
- (d) make different provision for different purposes;
- (e) include incidental, supplementary, consequential, transitional or transitory provision.
- (4) Regulations under this section—
- (a) may amend, repeal or otherwise modify section 270BNA and other provisions of this Part, and
- (b) where made under subsection [^{F11}(1)(b) or] (3)(e), may amend, repeal or otherwise modify other provisions of this Act or provisions of another Act.]]
- [^{F12}(5) The power to make regulations under subsection (1)(b) may be exercised only in relation to qualifying expenditure incurred on or after the date on which the regulations come into force.]

Textual Amendments

- F4** Words in Pt. 2A Ch. 2A substituted (11.7.2023) by Finance (No. 2) Act 2023 (c. 30), Sch. 23 para. 14(b)
- F8** Word in s. 270BNC heading inserted (24.2.2022) by Finance Act 2022 (c. 3), Sch. 16 para. 5(2)

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, CHAPTER 2A. (See end of Document for details)

- F9** Words in s. 270BNC(1) renumbered as s. 270BNC(1)(a) (24.2.2022) by Finance Act 2022 (c. 3), **Sch. 16 para. 5(3)(a)**
- F10** S. 270BNC(1)(b) and word inserted (24.2.2022) by Finance Act 2022 (c. 3), **Sch. 16 para. 5(3)(b)**
- F11** Words in s. 270BNC(4)(b) inserted (24.2.2022) by Finance Act 2022 (c. 3), **Sch. 16 para. 5(4)**
- F12** S. 270BNC(5) inserted (24.2.2022) by Finance Act 2022 (c. 3), **Sch. 16 para. 5(5)**

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001,
CHAPTER 2A.