



Capital Allowances Act 2001

2001 CHAPTER 2

[^{F1}PART 3

INDUSTRIAL BUILDINGS ALLOWANCES

CHAPTER 2

INDUSTRIAL BUILDINGS

[^{F1} Qualifying hotels and sports pavilions

Textual Amendments

- F1** Pt. 3 omitted (with effect in relation to chargeable periods beginning on or after 1.4.2011 for corporation tax purposes and 6.4.2011 for income tax purposes in accordance with ss. 84(1)(3)(4), 85, 86 of the amending Act) by virtue of [Finance Act 2008 \(c. 9\), s. 84\(2\)](#) (with [Sch. 27](#))

279 Qualifying hotels

- (1) A hotel is a qualifying hotel if the following conditions are met—
- (a) the accommodation in the hotel is in a building of a permanent nature,
 - (b) the hotel is open for at least 4 months during April to October, and
 - (c) when the hotel is open during April to October—
 - (i) it has 10 or more letting bedrooms,
 - (ii) the sleeping accommodation it offers consists wholly or mainly of letting bedrooms, and
 - (iii) the services provided for guests normally include the provision of breakfast and an evening meal, the making of beds and the cleaning of rooms.

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

- (2) Whether a hotel meets the conditions in subsection (1)(b) and (c) at any time in a chargeable period is to be determined by reference to the period given under subsections (3) to (5) (“the reference period”).
- (3) If the hotel was in use for the purposes of a trade carried on by—
- (a) the person claiming the allowance, or
 - (b) a lessee occupying the hotel under a lease to which the relevant interest is reversionary,
- throughout the 12 month period ending with the last day of the chargeable period, the reference period is that 12 month period.
- (4) If the hotel was first used for the purposes of a trade carried on as described in subsection (3) after the beginning of the 12 month period referred to there, the reference period is the 12 month period beginning with the date on which it was first so used.
- (5) If a hotel does not qualify under subsection (3) because it had fewer than 10 letting bedrooms until too late a date, the reference period is the 12 month period beginning with the date when it had 10 or more letting bedrooms.
- (6) A hotel is not to be treated as meeting the conditions in subsection (1)(b) and (c) at any time in a chargeable period after it has ceased altogether to be used.
- (7) A building (whether or not on the same site as any other part of the hotel) which is—
- (a) provided by the person carrying on the trade for the welfare of workers employed in the hotel, and
 - (b) in use for the welfare of such workers,
- is to be treated for the purposes of this section as part of the hotel.
- (8) If a qualifying hotel is carried on by an individual (alone or in partnership), accommodation which, when the hotel is open during April to October, is normally used as a dwelling by—
- (a) that individual, or
 - (b) a member of his family or household,
- is to be treated for the purposes of this section as not being part of the hotel.
- (9) In this section—
- “building” does not include a structure, and
- “letting bedroom” means a private bedroom available for letting to the public generally and not normally in the same occupation for more than one month.

280 Qualifying sports pavilions

A building is a qualifying sports pavilion if it is—

- (a) occupied by a person carrying on a trade, and
- (b) used as a sports pavilion for the welfare of all or any of the workers employed in that trade.]

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Cross
Heading: Qualifying hotels and sports pavilions.