



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### [<sup>F1</sup>PART 3A

#### BUSINESS PREMISES RENOVATION ALLOWANCES

### [<sup>F1</sup>CHAPTER 4

#### THE RELEVANT INTEREST IN THE QUALIFYING BUILDING

##### Textual Amendments

- F1** Pt. 3A inserted (11.4.2007 with effect in accordance with s. 92 of the amending Act) by [Finance Act 2005 \(c. 7\), Sch. 6 para. 1; S.I. 2007/949, art. 2](#)

#### **360E General rule as to what is the relevant interest**

- (1) The relevant interest in a qualifying building in relation to any qualifying expenditure is the interest in the qualifying building to which the person who incurred the qualifying expenditure was entitled when it was incurred.
- (2) Subsection (1) is subject to the following provisions of this Chapter and to section 360Z3 (provisions applying on termination of lease).
- (3) If—
  - (a) the person who incurred the qualifying expenditure was entitled to more than one interest in the qualifying building when the expenditure was incurred, and
  - (b) one of those interests was reversionary on all the others,the reversionary interest is the relevant interest in the qualifying building.
- (4) An interest does not cease to be the relevant interest merely because of the creation of a lease or other interest to which that interest is subject.
- (5) If—

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*Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Chapter 4. (See end of Document for details)*

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- (a) the relevant interest is a leasehold interest, and
- (b) that interest is extinguished on the person entitled to it acquiring the interest which is reversionary on it,

the interest into which the leasehold interest merges becomes the relevant interest when the leasehold interest is extinguished.

**360F Interest acquired on completion of conversion**

For the purposes of determining the relevant interest in a qualifying building, a person who—

- (a) incurs expenditure on the conversion of a qualifying building into qualifying business premises, and
- (b) is entitled to an interest in the qualifying building on or as a result of the completion of the conversion,

is treated as having had that interest when the expenditure was incurred.]

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001, Chapter 4.