



Capital Allowances Act 2001

2001 CHAPTER 2

[^{F1}PART 3A

BUSINESS PREMISES RENOVATION ALLOWANCES

[^{F1}CHAPTER 5

INITIAL ALLOWANCES

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](#)

360G Initial allowances

- (1) A person who has incurred qualifying expenditure in respect of any qualifying building is entitled to an initial allowance in respect of the expenditure.
- (2) The amount of the initial allowance is 100% of the qualifying expenditure.
- (3) A person claiming an initial allowance under this section may require the allowance to be reduced to a specified amount.
- (4) The initial allowance is made for the chargeable period in which the qualifying expenditure is incurred.

360H Premises not qualifying business premises or relevant interest sold before premises first used or let

- (1) No initial allowance is to be made under section 360G if, at the relevant time, the qualifying building does not constitute qualifying business premises.

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Chapter 5. (See end of Document for details)

- (2) An initial allowance which has been made in respect of a qualifying building which is to be qualifying business premises is to be withdrawn if—
 - (a) the qualifying building does not constitute qualifying business premises at the relevant time, or
 - (b) the person to whom the allowance was made has sold the relevant interest in the qualifying building before the relevant time.
- (3) All such assessments and adjustments of assessments are to be made as are necessary to give effect to this section.
- (4) In this section “ the relevant time ” means the time when the premises are first used by the person with the relevant interest or, if they are not so used, the time when they are first suitable for letting for either of the purposes mentioned in section 360D(1)(b).]

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Chapter 5.