



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### PART 2

#### PLANT AND MACHINERY ALLOWANCES

#### [<sup>F1</sup>CHAPTER 10A

#### SPECIAL RATE EXPENDITURE

#### *Rules applying to special rate expenditure*

#### [<sup>F1</sup>104D Writing-down allowances at [<sup>F2</sup>[<sup>F3</sup>6%] or] 10%

- (1) The amount of the writing-down allowance to which a person is entitled for a chargeable period in respect of expenditure which is special rate expenditure is [<sup>F4</sup>6%] of the amount by which AQE exceeds TDR (see Chapter 5).

[ But, in relation to special rate expenditure incurred wholly for the purposes of a ring [<sup>F5</sup>(1A) fence trade in respect of which tax is chargeable under section 330(1) of CTA 2010 (supplementary charge in respect of ring fence trades), the amount of the writing-down allowance to which a person is entitled for a chargeable period is 10% of the amount by which AQE exceeds TDR.]

- (2) Subsection (1) applies even if the special rate expenditure is in a single asset pool.
- (3) In the case of expenditure in the special rate pool, this section is subject to section 56A (writing-down allowance for small pools).
- (4) Subsections (3) and (4) of section 56 (proportionate increases or reductions in amount in certain cases) apply for the purposes of subsection (1) of this section as they apply for the purposes of subsection (1) of that section.]

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**Changes to legislation:** There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 104D. (See end of Document for details)

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### Textual Amendments

- F1** Pt. 2 Ch. 10A inserted (with effect in accordance with Sch. 26 para. 14 of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **Sch. 26 para. 2**
- F2** Words in s. 104D heading inserted (with effect in accordance with s. 10(8)-(13) of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **s. 10(4)(a)**
- F3** Word in s. 104D heading substituted (with effect in accordance with s. 31(4)(8) of the amending Act) by [Finance Act 2019 \(c. 1\)](#), **s. 31(3)(b)**
- F4** Word in s. 104D(1) substituted (with effect in accordance with s. 31(4)-(8) of the amending Act) by [Finance Act 2019 \(c. 1\)](#), **s. 31(2)**
- F5** S. 104D(1A) inserted (with effect in accordance with s. 10(8)-(13) of the amending Act) by [Finance Act 2011 \(c. 11\)](#), **s. 10(3)(b)**

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 104D.