

*These notes refer to the Capital Allowances Act 2001  
(c.2) which received Royal Assent on 22nd March 2001*

# **CAPITAL ALLOWANCES ACT 2001**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### *Glossary*

#### **Part 2: Plant and machinery allowances**

#### *Chapter 11: Overseas leasing*

#### *Section 106: The designated period*

455. This section is based on sections 40(4) and (5) and 50(3) of CAA 1990. It defines the period during which this Chapter can affect qualifying expenditure. Typically that period ends when the person who incurs qualifying expenditure disposes of the plant or machinery or, if earlier, ten years after the person first uses the plant or machinery. But the rules are modified in special cases: for example, if plant or machinery is transferred between connected persons.