



Capital Allowances Act 2001

2001 CHAPTER 2

PART 2

PLANT AND MACHINERY ALLOWANCES

[^{F1}CHAPTER 16A

[^{F1}RESTRICTIONS ON ALLOWANCE BUYING]

Relevant excess of allowances

[^{F1}212L Balance sheet value

- (1) BSV is the balance sheet value of the relevant plant and machinery and is to be found by adding together the amounts (if any) which would be shown in respect of it in the appropriate balance sheet of C or P.
- (2) For this purpose the amounts shown in the appropriate balance sheet in respect of the relevant plant or machinery are—
 - (a) the amounts shown in that balance sheet as the net book value (or carrying amount) in respect of it, and
 - (b) the amounts shown in that balance sheet as the net investment in respect of finance leases of it.
- (3) If—
 - (a) any of the relevant plant or machinery is a fixture in any land, and
 - (b) the amount which falls (or would fall) to be shown in the appropriate balance sheet as the net book value (or carrying amount) of the land would include an amount in respect of the fixture,the amount of the net book value (or carrying amount) in respect of the fixture is determined on a just and reasonable basis.
- (4) If—

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 212L. (See end of Document for details)

- (a) any of the relevant plant or machinery is subject to a finance lease, and
 - (b) any land or asset which is not plant or machinery is subject to that lease,
- the amount of the net investment in respect of the finance lease of that plant or machinery is determined on a just and reasonable basis.
- (5) In this section any reference to any amount shown in the appropriate balance sheet of C or P is the amount which, assuming that a balance sheet of C or P were drawn up in accordance with subsection (6), would fall to be shown in that balance sheet.
- (6) A balance sheet is drawn up in accordance with this subsection if it is drawn up in accordance with generally accepted accounting practice so as to reflect the position as at the beginning of the relevant day but adjusted to reflect the disposal of any of the relevant plant or machinery which is disposed of on the relevant day.
- (7) In this section—
- “finance lease” means a lease which, in accordance with generally accepted accounting practice, falls (or would fall) to be treated as a finance lease or loan in accounts of C or P;
 - “fixture”—
 - (a) means any plant or machinery that is so installed or otherwise fixed in or to a building or other description of land as to become, in law, part of that building or other land, and
 - (b) includes any boiler or water-filled radiator installed in a building as part of a space or water heating system.]

Textual Amendments

- F1** Pt. 2 Ch. 16A inserted (8.4.2010) (with effect in accordance with Sch. 4 para. 5, 6 to the amending Act) by [Finance Act 2010 \(c. 13\)](#), [Sch. 4 para. 2](#)

Changes to legislation:

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