



Capital Allowances Act 2001

2001 CHAPTER 2

PART 2

PLANT AND MACHINERY ALLOWANCES

CHAPTER 18

ADDITIONAL VAT LIABILITIES AND REBATES

Anti-avoidance

245 Effect of election under section 227 on additional VAT liability

- (1) This section applies if—
- (a) an election is made under section 227 (sale and leaseback or sale and finance leaseback: election for special treatment), and
 - (b) an additional VAT liability is incurred by S in respect of the capital expenditure incurred on the provision of the plant or machinery to which the election relates.
- (2) The effect of the election is—
- (a) that no allowance is to be made to S under this Act in respect of the additional VAT liability, and
 - (b) that the additional VAT liability must be left out of account in determining Ss' available qualifying expenditure for any period.

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 245.