



Capital Allowances Act 2001

2001 CHAPTER 2

PART 2

PLANT AND MACHINERY ALLOWANCES

CHAPTER 20

SUPPLEMENTARY PROVISIONS

[^{F1}Co-ownership authorised contractual schemes

[^{F1}262AD Co-ownership schemes: effect of election for participants

- (1) This section has effect where an election under section 262AB is made by the operator of a co-ownership authorised contractual scheme.
- (2) For the purposes of sections 61(1) and 196(1) (disposal events and values)—
 - (a) a participant in the scheme is to be regarded as ceasing to own the participant's interest in the property subject to the scheme at the beginning of the first accounting period of the scheme for which the election has effect, and
 - (b) the disposal value to be brought into account in relation to that cessation of ownership is the tax written-down value.
- (3) In subsection (2)(b) “tax written-down value” means such amount as would give rise to neither a balancing allowance nor a balancing charge.
- (4) For the purposes of subsection (3) assume that—
 - (a) expenditure to which the disposal value relates is in its own pool;
 - (b) profits or gains arising to all participants from the qualifying activity are, or (if there were any) would be, chargeable to tax.]

Changes to legislation: *There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 262AD. (See end of Document for details)*

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Textual Amendments

F1 Ss. 262AA-262AF and cross-heading inserted (16.11.2017) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 40](#)

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 262AD.