



Capital Allowances Act 2001

2001 CHAPTER 2

PART 2

PLANT AND MACHINERY ALLOWANCES

CHAPTER 20

SUPPLEMENTARY PROVISIONS

[^{F1}Co-ownership authorised contractual schemes

[^{F1}262A]Co-ownership schemes: effect of election for purchasers

- (1) This section has effect where—
 - (a) an election under section 262AB is made by the operator of a co-ownership authorised contractual scheme,
 - (b) property consisting of a fixture ceased to be subject to the scheme at any time in an accounting period for which the election has effect,
 - (c) in a calculation made by the operator of the scheme under section 262AC(2) the assumption in section 262AC(3)(g) was made in relation to that fixture, and
 - (d) a person (“the current owner”) is treated as the owner of the fixture as a result of incurring capital expenditure on its provision (“the new expenditure”).
- (2) In determining the current owner's qualifying expenditure—
 - (a) if the disposal value statement requirement is not satisfied, the new expenditure is to be treated as nil, and
 - (b) in any other case, any amount of the new expenditure which exceeds the assumed disposal value is to be left out of account (or, if such an amount has already been taken into account, is to be treated as an amount that should never have been taken into account).

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

- (3) The disposal value statement requirement is that—
- (a) the operator of the scheme has, no later than 2 years after the date when the fixture ceased to be property subject to the scheme, made a written statement of the assumed disposal value, and
 - (b) the current owner has obtained that statement or a copy of it (directly or indirectly) from the operator of the scheme.
- (4) Sections 185 (fixture on which a plant and machinery allowance has been claimed) and 187A (effect of changes in ownership of fixture) do not apply in relation to the new expenditure.
- (5) In this section “assumed disposal value” means the disposal value that, in making the calculation referred to in subsection (1)(c), was assumed to be brought into account pursuant to section 262AC(3)(h).]

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 262AE.