



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### PART 2

#### PLANT AND MACHINERY ALLOWANCES

#### CHAPTER 20

#### SUPPLEMENTARY PROVISIONS

#### *Miscellaneous*

#### **269 Use of plant or machinery for business entertainment**

- (1) If—
- (a) a person carrying on a qualifying activity, or
  - (b) an employee of that person,
- provides business entertainment in connection with that activity, the use of plant or machinery for providing the entertainment is to be treated as use for purposes other than those of that activity.
- (2) For the purposes of this section—
- (a) “entertainment” includes hospitality of any kind, and
  - (b) the use of an asset for providing entertainment includes the use of an asset for providing anything incidental to the entertainment.
- (3) “Business entertainment” does not include anything provided by a person for employees unless its provision for them is incidental to its provision for others.
- (4) “Business entertainment” does not include the use of plant or machinery for the provision of anything by a person if—
- (a) it is a function of that person’s qualifying activity to provide it, and
  - (b) it is provided by that person in the ordinary course of that qualifying activity—

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***Changes to legislation:*** *There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 269. (See end of Document for details)*

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- (i) for payment, or
  - (ii) free of charge with the object of advertising to the public generally.
- (5) For the purposes of this section—
  - (a) directors of a company, or
  - (b) persons engaged in the management of a company,are to be regarded as employed by the company.

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 269.