



Capital Allowances Act 2001

2001 CHAPTER 2

[^{F1}PART 3

INDUSTRIAL BUILDINGS ALLOWANCES

CHAPTER 3

THE RELEVANT INTEREST IN THE BUILDING

[^{F1}291 Supplementary provisions with respect to elections

- (1) No election may be made under section 290 by a lessor and lessee who are connected persons unless—
 - (a) the lessor is a body discharging statutory functions, and
 - (b) the lessee is a company of which it has control.
- (2) No election may be made under section 290 if it appears that the sole or main benefit which may be expected to accrue to the lessor from the grant of the lease and the making of an election is obtaining a balancing allowance.
- (3) Whether the duration of a lease exceeds 50 years is to be determined—
 - (a) in accordance with [^{F2}sections 243 and 244 of CTA 2009,] and
 - (b) without regard to section 359(3) (new lease granted as a result of the exercise of an option treated as continuation of old lease).
- (4) An election under section 290 must be made by notice to [^{F3}an officer of Revenue and Customs] within 2 years after the date on which the lease takes effect.
- (5) All such adjustments, by discharge or repayment of tax or otherwise, are to be made as are necessary to give effect to the election.]

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 291. (See end of Document for details)

Textual Amendments

- F1** Pt. 3 omitted (with effect in relation to chargeable periods beginning on or after 1.4.2011 for corporation tax purposes and 6.4.2011 for income tax purposes in accordance with ss. 84(1)(3)(4), 85, 86 of the amending Act) by virtue of [Finance Act 2008 \(c. 9\), s. 84\(2\)](#) (with [Sch. 27](#))
- F2** Words in s. 291(3)(a) substituted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\)](#), [Sch. 1 para. 498](#) (with [Sch. 2 Pts. 1, 2](#), [Sch. 2 para. 47](#))
- F3** Words in Act substituted (18.4.2005) by [Commissioners for Revenue and Customs Act 2005 \(c. 11\), s. 53\(1\)](#), [Sch. 4 para. 83\(1\)](#); S.I. 2005/1126, art. 2(2)(h)

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