



Capital Allowances Act 2001

2001 CHAPTER 2

[^{F1}PART 3

INDUSTRIAL BUILDINGS ALLOWANCES

CHAPTER 7

BALANCING ADJUSTMENTS

General

[^{F1}317 **Balancing event where hotel not qualifying hotel for 2 years**

- (1) This section applies if—
 - (a) a building ceases to be a qualifying hotel otherwise than on the occurrence of a balancing event which is within section 315(1), and
 - (b) after the building ceases to be a qualifying hotel, a period of 2 years elapses—
 - (i) in which it is not a qualifying hotel, and
 - (ii) without the occurrence of a balancing event.
- (2) This Part has effect as if—
 - (a) the relevant interest in the building had been sold at the end of the 2 year period, and
 - (b) the net proceeds of the sale were equal to the market value of that interest.
- (3) Subsection (2) does not affect section 285 (building treated as industrial building during period of temporary disuse).
- (4) But a building is not to be treated under section 285(b) as continuing to be a qualifying hotel for more than 2 years after the end of the chargeable period in which it falls temporarily out of use.
- (5) This section does not apply to qualifying enterprise zone expenditure.]

Changes to legislation: *There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 317. (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](#))

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 317.