



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### [<sup>F1</sup>PART 3

#### INDUSTRIAL BUILDINGS ALLOWANCES

#### CHAPTER 10

#### ADDITIONAL VAT LIABILITIES AND REBATES

##### *Additional VAT liabilities*

#### [<sup>F1</sup>347 Additional VAT liabilities and writing-down allowances

- (1) This section applies if the person entitled to the relevant interest in relation to qualifying expenditure incurs an additional VAT liability in respect of that expenditure.
- (2) If this section applies—
  - (a) the additional VAT liability is treated as qualifying expenditure, and
  - (b) the amount of the residue of qualifying expenditure is accordingly increased at the time when the liability accrues by the amount of the liability.
- (3) The incurring of the additional VAT liability is a relevant event for the purposes of section 311 (calculation of writing-down allowances) that is to be treated as occurring at the time when the liability accrues.]

#### **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 347.