



# Capital Allowances Act 2001

## 2001 CHAPTER 2

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

#### BUSINESS PREMISES RENOVATION ALLOWANCES

#### CHAPTER 8

#### BALANCING ADJUSTMENTS

#### [<sup>F1</sup>360O Proceeds from balancing events

- (1) References in this Part to the proceeds from a balancing event are to the amounts received or receivable in connection with the event, as shown in the Table—

TABLE: BALANCING EVENTS AND PROCEEDS

<i>1 Balancing Event</i>	<i>2 Proceeds from event</i>
1 The sale of the relevant interest.	The net proceeds of the sale.
2 The grant of a long lease out of the relevant interest.	If the capital sum paid in consideration of the grant is less than the commercial premium, the commercial premium. In any other case, the capital sum paid in consideration of the grant.
3 The coming to an end of a lease, where a person entitled to the lease and a person entitled to any superior interest are connected persons.	The market value of the relevant interest in the qualifying building at the time of the event.
4 The death of the person who incurred the qualifying expenditure.	The residue of qualifying expenditure immediately before the death.

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*Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 360O. (See end of Document for details)*

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5 The demolition or destruction of the qualifying building.	The net amount received for the remains of the qualifying building, together with (a) any insurance money received in respect of the demolition or destruction, and (b) any other compensation of any description so received, so far as it consists of capital sums.
6 The qualifying building ceases to be qualifying business premises.	The market value of the relevant interest in the qualifying building at the time of the event.

- (2) The amounts referred to in column 2 of the Table are those received or receivable by the person who incurred the qualifying expenditure.
- (3) In Item 2 of the Table “ the commercial premium ” means the premium that would have been given if the transaction had been at arm's length. ]

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**Textual Amendments**

**F1** Pt. 3A inserted (11.4.2007 with effect in accordance with s. 92 of the amending Act) by [Finance Act 2005 \(c. 7\)](#), [Sch. 6 para. 1](#); S.I. 2007/949, art. 2

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 360O.