



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### [<sup>F1</sup>PART 4

#### AGRICULTURAL BUILDINGS ALLOWANCES

### CHAPTER 3

#### QUALIFYING EXPENDITURE

#### [<sup>F1</sup>369 Capital expenditure on construction of agricultural building

- (1) If—
  - (a) capital expenditure has been incurred on the construction of an agricultural building,
  - (b) the expenditure was incurred for the purposes of husbandry as mentioned in section 361, and
  - (c) the relevant interest has not been sold or, if it has been sold, has been sold only after the first use of the building,the capital expenditure is qualifying expenditure.
- (2) Subsections (3) and (4) apply if the capital expenditure has been incurred on the construction of a farmhouse.
- (3) If the accommodation and amenities of the farmhouse are proportionate to the nature and extent of the farm, only one third of the capital expenditure is to be taken into account under subsection (1).
- (4) If they are disproportionate, only such part of the expenditure as is just and reasonable (and not exceeding one third) is to be taken into account under subsection (1).
- (5) If—
  - (a) the capital expenditure is incurred on the construction of any agricultural building other than a farmhouse, and

---

**Changes to legislation:** There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 369. (See end of Document for details)

---

(b) the building is to be used partly for the purposes of husbandry on the related agricultural land and partly for other purposes,  
only such part of the expenditure as, on a just and reasonable apportionment, is referable to use for the purposes of husbandry is to be taken into account under subsection (1).]

---

**Textual Amendments**

**F1** Pt. 4 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 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 369.