



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### PART 5

#### MINERAL EXTRACTION ALLOWANCES

### CHAPTER 1

#### INTRODUCTION

#### **394 Mineral extraction allowances**

- (1) Allowances are available under this Part if a person carries on a mineral extraction trade and incurs qualifying expenditure.
- (2) In this Part “mineral extraction trade” means a trade which consists of, or includes, the working of a source of mineral deposits [<sup>F1</sup>but to the extent only that the profits or gains from that trade are, or (if there were any) would be, chargeable to tax].
- [<sup>F2</sup>(2A) If a company or partnership is as a result of section 6D (NI rate activity treated as separate trade) treated for the purposes of this Act as carrying on two separate trades, each of them is for the purposes of this Part to be treated as a mineral extraction trade if the separate trades would together be so treated.]
- (3) In this Part “mineral deposits” includes any natural deposits capable of being lifted or extracted from the earth, and for this purpose geothermal energy is to be treated as a natural deposit.
- (4) Any reference in this Part to mineral deposits is to mineral deposits of a wasting nature.
- (5) In this Part “source of mineral deposits” includes a mine, an oil well and a source of geothermal energy.

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**Changes to legislation:** There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 394. (See end of Document for details)

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#### Textual Amendments

- F1** Words in s. 394(2) inserted (with effect in accordance with s. 67(8) of the amending Act) by [Finance Act 2014 \(c. 26\), s. 67\(2\)](#)
- F2** S. 394(2A) inserted (with effect in accordance with s. 5 of the amending Act) by [Corporation Tax \(Northern Ireland\) Act 2015 \(c. 21\), Sch. 1 para. 12](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 394.