



Capital Allowances Act 2001

2001 CHAPTER 2

PART 5

MINERAL EXTRACTION ALLOWANCES

CHAPTER 6

ALLOWANCES AND CHARGES

Unrelieved qualifying expenditure

[^{F1}419A Unrelieved qualifying expenditure: entry to cash basis

- (1) If a person carrying on a mineral extraction trade enters the cash basis for a tax year, for the purpose of determining the person's unrelieved qualifying expenditure for the chargeable period ending with the basis period for the tax year and subsequent chargeable periods (see section 419), only the non-cash basis deductible portion of qualifying expenditure incurred before the chargeable period ending with the basis period for the tax year is to be taken into account.
- (2) The “non-cash basis deductible portion” of qualifying expenditure means the amount of qualifying expenditure for which no deduction would be allowed in calculating the profits of the trade on the cash basis on the assumption that the expenditure was paid in the tax year for which the person enters the cash basis.
- (3) Subsections (9) and (11) of section 1A (capital allowances and charges: cash basis) apply for the purposes of this section as they apply for the purposes of that section.]

Textual Amendments

- F1** S. 419A inserted (with effect in accordance with Sch. 2 para. 64 of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), Sch. 2 para. 54](#)

Changes to legislation:

There are outstanding changes not yet made by the legislation.gov.uk editorial team to Capital Allowances Act 2001. Any changes that have already been made by the team appear in the content and are referenced with annotations.

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Changes and effects yet to be applied to :

- s. 419A(1) words substituted by [2022 c. 3 Sch. 1 para. 35](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 29(1A) inserted by [S.I. 2006/1254 \(N.I.\) Sch. 3 para. 24\(b\)](#) (S. 29 was repealed before this effect came into force.)
- s. 774E(5)(b) words omitted by [2008 c. 9 Sch. 20 para. 12\(11\)](#)