



Capital Allowances Act 2001

2001 CHAPTER 2

PART 6

RESEARCH AND DEVELOPMENT ALLOWANCES

CHAPTER 3

ALLOWANCES AND CHARGES

443 Disposal values and disposal events

- (1) A person is required to bring a disposal value into account in respect of qualifying expenditure incurred by him if—
 - (a) he ceases to own an asset representing the expenditure, or
 - (b) an asset representing the expenditure is demolished or destroyed at a time when he owns the asset.
- (2) Subsection (1) is to be read with section 555 (disposal of oil licence with exploitation value).
- (3) But a person is not required to bring a disposal value into account under subsection (1) if the disposal event gives rise to a balancing charge under Part 2^{F1}... (plant and machinery allowances^{F1}...).
- (4) The disposal value to be brought into account under subsection (1) depends on the disposal event, as shown in the Table—

Table

Disposal values

1. Disposal event

1. Sale of the asset at not less than market value.

2. Disposal value

The net proceeds of the sale.

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 443. (See end of Document for details)

2. Demolition or destruction of the asset. The net amount received for the remains of the asset, 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.
3. Any event not falling within item 1 or 2. The market value of the asset at the time of the event.
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- (5) Subsection (4) is subject to—
- section 445 (costs of demolition),
 - section 553 (nil value in case of disposal of oil licence relating to undeveloped area), and
 - section 555 (disposal of oil licence with exploitation value).
- (6) A person is also required to bring a disposal value into account by section 448 (additional VAT rebate generates disposal value).
- (7) In this Chapter “disposal event” means an event of a kind that requires a disposal value to be brought into account under subsection (1).

Textual Amendments

- F1** Words in s. 443(3) omitted (with effect in accordance with Sch. 27 para. 30(1) of the amending Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 27 para. 6](#)

Modifications etc. (not altering text)

- C1** S. 443(4) excluded (24.2.2003) by [Proceeds of Crime Act 2002 \(c. 29\)](#), s. 458(1), [Sch. 10 para. 26](#) (with [Sch. 10 para. 29](#)); [S.I. 2003/120](#), art. 2, Sch. (with arts. 34) (as amended (20.2.2003) by [S.I. 2003/333](#), art. 14)

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 443.