



Capital Allowances Act 2001

2001 CHAPTER 2

PART 6

RESEARCH AND DEVELOPMENT ALLOWANCES

CHAPTER 4

ADDITIONAL VAT LIABILITIES AND REBATES

448 Additional VAT rebate generates disposal value

- (1) This section applies if—
 - (a) a person has incurred qualifying expenditure, and
 - (b) an additional VAT rebate is made to the person in respect of that expenditure.
- (2) But this section does not apply if by the time the rebate is made—
 - (a) the person has ceased to own the asset representing that expenditure, or
 - (b) that asset has been demolished or destroyed.
- (3) And this section does not apply if the rebate falls to be brought into account for the purpose of making allowances and charges under Part 2 ^{F1}... (plant and machinery allowances ^{F1}...).
- (4) The person must bring the amount of the rebate into account—
 - (a) as a disposal value in respect of the qualifying expenditure for the appropriate chargeable period, or
 - (b) if the person would have to bring a disposal value into account under section 443(1) in respect of that expenditure for that chargeable period, as an addition to that disposal value.
- (5) “Appropriate chargeable period” means—
 - (a) the chargeable period in which the rebate accrues, or

Changes to legislation: *There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 448. (See end of Document for details)*

- (b) if the rebate accrued before the chargeable period in which the relevant trade is set up and commenced, that chargeable period.

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Textual Amendments

- F1** Words in s. 448(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. 7](#)

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