



Capital Allowances Act 2001

2001 CHAPTER 2

PART 7

KNOW-HOW ALLOWANCES

CHAPTER 3

ALLOWANCES AND CHARGES

462 Disposal values

- (1) A person is required to bring a disposal value into account for the chargeable period in which he sells know-how on which he has incurred qualifying expenditure.
- (2) The disposal value to be brought into account is the net proceeds of the sale, so far as they consist of capital sums.
- (3) But no disposal value need be brought into account if the consideration received for the sale is treated as a payment for goodwill under [^{F1}section 194(2) of ITTOIA 2005 or under][^{F2}section 178(2) of CTA 2009] (consideration for know-how on disposal of trade to be treated as payment for goodwill, unless parties otherwise elect).

Textual Amendments

- F1** Words in s. 462(3) inserted (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 1 para. 564](#) (with [Sch. 2](#))
- F2** Words in s. 462(3) substituted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), [Sch. 1 para. 511](#) (with [Sch. 2 Pts. 1, 2](#))

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 462.