



Capital Allowances Act 2001

2001 CHAPTER 2

PART 10

ASSURED TENANCY ALLOWANCES

CHAPTER 5

WRITING-DOWN ALLOWANCES

Entitlement to and calculation of writing-down allowances

509 Calculation of allowance after sale of relevant interest

- (1) This section applies if—
 - (a) the relevant interest in a qualifying dwelling-house is sold, and
 - (b) a balancing adjustment falls to be made under section 513 as a result of the sale.
- (2) If this section applies, the writing-down allowance for any chargeable period ending after the sale is—

$$RQE \times \frac{A}{B}$$

where—

RQE is the amount of the residue of qualifying expenditure attributable to the dwelling-house immediately after the sale,

A is the length of the chargeable period, and

B is the length of the period from the date of the sale to the end of the period of 25 years beginning with the day on which the dwelling-house was first used.

- (3) On any later such sale, the writing-down allowance is further adjusted in accordance with this section.

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 509.