



Capital Allowances Act 2001

2001 CHAPTER 2

PART 12

SUPPLEMENTARY PROVISIONS

CHAPTER 4

PARTNERSHIPS, SUCCESSIONS AND TRANSFERS

558 Effect of partnership changes

(1) This section applies if—

- (a) a relevant activity has been set up and is at any time carried on in partnership,
- (b) there has been a change in the persons engaged in carrying on the relevant activity, and

[^{F1}(c) the condition in subsection (1A) or (1B) (whichever is appropriate) is met.]

[^{F2}(1A) For income tax purposes, the condition is that a person carrying on the relevant activity immediately before the change continues to carry it on after the change.

(1B) For corporation tax purposes, the condition is that a company carrying on the relevant activity in partnership immediately before the change continues to carry it on in partnership after the change.]

(2) In this section—

“ the present partners ” means the person or persons for the time being carrying on the relevant activity, and

“ predecessors ”, in relation to the present partners, means their predecessors in carrying on the relevant activity.

(3) Any allowance or charge is to be made to or on the present partners.

(4) The amount of any allowance or charge arising under subsection (3) is to be calculated as if—

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 558. (See end of Document for details)

- (a) the present partners had at all times been carrying on the relevant activity, and
 - (b) everything done to or by their predecessors in carrying on the relevant activity had been done to or by the present partners.
- (5) In this section “ relevant activity ” means a trade, property business, profession or vocation.

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Textual Amendments

- F1** S. 558(1)(c) 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. 518(2)** (with Sch. 2 Pts. 1, 2)
- F2** S. 558(1A)(1B) inserted (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. 518(3)** (with Sch. 2 Pts. 1, 2)

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There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 558.