



Capital Allowances Act 2001

2001 CHAPTER 2

PART 12

SUPPLEMENTARY PROVISIONS

CHAPTER 5

MISCELLANEOUS

Sales treated as being for alternative amount

569 Election to treat sale as being for alternative amount

- (1) The parties to a sale of property that is not for the alternative amount may elect for the sale to be treated as being for the alternative amount if—
 - (a) the control test is met or section 573 applies (transfers treated as sales), and
 - (b) the tax advantage test is not met.
- (2) Subsection (1) is subject to section 570.
- (3) The alternative amount is the lower of market value and—
 - (a) if the sale is relevant for the purposes of Part ^{F1}...10, the residue of the qualifying expenditure immediately before the sale;
 - (b) if the sale is relevant for the purposes of Part 5, the unrelieved qualifying expenditure immediately before the sale;
 - (c) if the sale is relevant for the purposes of Part 6—
 - (i) in a case where an allowance under Part 6 is given for the expenditure represented by the asset sold, nil;
 - (ii) in any other case, the qualifying expenditure represented by the asset sold.

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 569. (See end of Document for details)

- (4) In subsection (3) “ residue of qualifying expenditure ”, “ unrelieved qualifying expenditure ” and “ qualifying expenditure ” have the same meaning as in the Part for the purposes of which the sale is relevant.
- (5) If the sale—
- (a) is relevant for the purposes of Part ^{F2}...10, and
 - (b) is treated as being for the residue of the qualifying expenditure immediately before the sale,
- no balancing adjustment is to be made as a result of the sale under section ^{F3}...517 (building not a qualifying dwelling-house throughout).
- (6) If, after the date of the sale, an event occurs as a result of which a balancing charge would have fallen to be made on the seller if—
- (a) he had continued to own the property, and
 - (b) he had done all such things, and been allowed all such allowances, as were done by or allowed to the buyer,
- the balancing charge is to be made on the buyer.
- (7) All such assessments and adjustments of assessments are to be made as are necessary to give effect to the election.
- (8) For the purposes of this section and section 570, a sale is relevant for the purposes of a Part if it is of property of a kind that is relevant for deciding whether an allowance or charge is made under that Part.

Textual Amendments

- F1** Words in s. 569(3)(a) 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. 15\(a\)](#)
- F2** Words in s. 569(5)(a) 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. 15\(a\)](#)
- F3** Words in s. 569(5) 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. 15\(b\)](#)

Modifications etc. (not altering text)

- C1** Ss. 567-570 excluded (E.W.S.) (8.6.2005) by [Railways Act 2005 \(c. 14\)](#), s. 60(2), [Sch. 10 para. 4\(4\)](#); [S.I. 2005/1444](#), art. 2(1), [Sch. 1](#)
- C2** Ss. 567-570 excluded (E.W.S.) (24.7.2005) by [Railways Act 2005 \(c. 14\)](#), s. 60(2), [Sch. 10 para. 24\(4\)](#); [S.I. 2005/1909](#), art. 2, [Sch.](#)
- C3** Ss. 567-570 excluded (22.7.2008) by [Crossrail Act 2008 \(c. 18\)](#), [Sch. 13 para. 21\(6\)](#)
- C4** Ss. 567-570 excluded (22.7.2008) by [Crossrail Act 2008 \(c. 18\)](#), [Sch. 13 para. 38\(6\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 569 .