



Capital Allowances Act 2001

2001 CHAPTER 2

PART 12

SUPPLEMENTARY PROVISIONS

CHAPTER 5

MISCELLANEOUS

[^{F1}Anti-avoidance

[^{F1}570A Avoidance affecting proceeds of balancing event

- (1) This section applies where an event occurs in relation to an asset (a “balancing event”) as a result of which a balancing allowance would (but for this section) fall to be made to a person (“the taxpayer”) under Part ^{F2}... [^{F3}, 3A] ^{F2}... ^{F4}... 5 or 10.
- (2) The taxpayer is not entitled to any balancing allowance if, as a result of a tax avoidance scheme, the amount to be brought into account as the proceeds from the event is less than it would otherwise have been.
- (3) In subsection (2) a “tax avoidance scheme” means a scheme or arrangement the main purpose, or one of the main purposes, of which is the obtaining of a tax advantage by the taxpayer.
- (4) Where this section applies to deny a balancing allowance, the residue of qualifying expenditure immediately after the balancing event is nevertheless calculated as if the balancing allowance had been made.
- (5) In this section as it applies for the purposes of Part 5 (mineral extraction allowances)—
 - (a) the references to the proceeds from the balancing event that are to be brought into account shall be read as references to the disposal value to be brought into account, and

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 570A. (See end of Document for details)

- (b) the reference to the residue of qualifying expenditure shall be read as a reference to the unrelieved qualifying expenditure.]

Textual Amendments

- F1** S. 570A and cross-heading inserted (10.7.2003) by [Finance Act 2003 \(c. 14\)](#) , [s. 164\(1\)](#) (with [s. 164\(2\)](#))
- F2** Word in s. 570A(1) 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. 17](#)
- F3** Word in s. 570A(1) inserted (with effect in accordance with s. 92 of the amending Act) by [Finance Act 2005 \(c. 7\)](#), [Sch. 6 para. 9](#); [S.I. 2007/949](#), art. 2
- F4** Word in s. 570A(1) omitted (with effect in accordance with Sch. 39 para. 40 of the amending Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 39 para. 38\(6\)](#) (with [Sch. 39 paras. 41, 42](#))

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 570A.