



Capital Allowances Act 2001

2001 CHAPTER 2

PART 12

SUPPLEMENTARY PROVISIONS

CHAPTER 6

FINAL PROVISIONS

General interpretation

577 Other definitions

(1) In this Act—

“dual resident investing company” has the same meaning as in [F¹section 949 of CTA 2010 (dual resident investing companies);]

“market value”, in relation to any asset, means the price the asset would fetch in the open market;

“the normal time limit for amending a tax return”, in relation to a tax year, means the first anniversary of the 31st January following the tax year;

“notice” means a notice in writing;

“property business” means [F²a UK property business]^{F3}... or an overseas property business;

“tax return ” has the meaning given by section 3(3);

F4

F5

(2) Any reference to the setting up, commencement or permanent discontinuance of—

- (a) a trade,
- (b) a property business,
- (c) a profession, or

Changes to legislation: There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 577. (See end of Document for details)

- (d) a vocation,
 includes, except where the contrary is expressly provided, the occurring of an event which, under any provision of the Income Tax Acts or Corporation Tax Acts, is to be treated as equivalent to the setting up, commencement or permanent discontinuance of a trade, property business, profession or vocation.
- [^{F6}(2A) A person's ceasing to carry on a trade, property business, profession or vocation is treated for the purposes of this Act as the permanent discontinuance of the trade, property business, profession or vocation, whether or not it is in fact discontinued.
- (2B) For income tax purposes, a change in the persons carrying on a trade, property business, profession or vocation is not treated as the permanent discontinuance of the trade, property business, profession or vocation if a person carrying it on immediately before the change continues to carry it on after the change.
- (2C) For corporation tax purposes, a change in the persons carrying on a trade or property business is not treated as the permanent discontinuance of the trade or property business if a company carrying it on in partnership immediately before the change continues to carry it on in partnership after the change.]
- (3) Any reference in this Act to an allowance made includes an allowance which would be made but for an insufficiency of profits, or other income, against which to make it.
- (4) For the purposes of this Act a person obtains a tax advantage if he—
- (a) obtains an allowance or a greater allowance, or
 - (b) avoids a charge or secures the reduction of a charge.
- (5) In Schedule 1—
- (a) Part 1 gives the meaning of abbreviated references in this Act to Acts about tax, and
 - (b) Part 2 lists where expressions used in this Act are defined or otherwise explained.

Textual Amendments

- F1** Words in s. 577(1) substituted (1.4.2010) (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), **Sch. 1 para. 363** (with Sch. 2)
- F2** Words in s. 577(1) inserted (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), **Sch. 1 para. 573** (with Sch. 2)
- F3** Words in s. 577(1) repealed (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. 520(2), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F4** Words in s. 577(1) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), Sch. 1 para. 412(a), **Sch. 3 Pt. 1** (with Sch. 2)
- F5** Words in s. 577(1) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), Sch. 1 para. 412(b), **Sch. 3 Pt. 1** (with Sch. 2)
- F6** S. 577(2A)-(2C) 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. 520(3)** (with Sch. 2 Pts. 1, 2)

Modifications etc. (not altering text)

- C1** S. 577(3) excluded (1.4.2010) (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), **ss. 675(2)**, 1184(1) (with Sch. 2)
- C2** S. 577(3) excluded (1.4.2010) (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), **ss. 687(4)**, 1184(1) (with Sch. 2)

Changes to legislation:

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 577.