



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### PART 2

#### PLANT AND MACHINERY ALLOWANCES

### CHAPTER 5

#### ALLOWANCES AND CHARGES

*[<sup>F1</sup>Effect of changes in Northern Ireland status of SME company or SME partnership*

#### **[<sup>F1</sup>66D SME company leaving NI corporation tax regime**

- (1) This section applies if—
  - (a) in a chargeable period beginning after the commencement day (“the relevant period”) a company is neither [<sup>F2</sup>an SME (Northern Ireland employer) company] nor a NIRE company,
  - (b) the company was [<sup>F3</sup>an SME (Northern Ireland employer) company] in the previous chargeable period, and
  - (c) during the relevant period the company carries on a qualifying activity.
- (2) The fact that assets which continue to be used in the relevant period for the purposes of the trade actually carried on are as a result of section 15(2ZA) treated as ceasing to be used for the purposes of an NI rate activity and beginning to be used for the purposes of the qualifying activity mentioned in subsection (1)(c) does not give rise to a disposal event within 61(1)(e) or (f).
- (3) Any unrelieved qualifying expenditure which—
  - (a) relates to plant or machinery used for the purposes of an NI activity, and
  - (b) falls to be carried forward to the relevant period,is to be treated as relating to the qualifying activity that the company carries on in the relevant period.

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*Changes to legislation:* There are currently no known outstanding effects for the  
Capital Allowances Act 2001, Section 66D. (See end of Document for details)

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- (4) “The commencement day” has the meaning given by section 5(4) of the Corporation Tax (Northern Ireland) Act 2015.]

**Textual Amendments**

- F1** Ss. 66B-66E and cross-heading inserted (with effect in accordance with s. 5 of the amending Act) by [Corporation Tax \(Northern Ireland\) Act 2015 \(c. 21\)](#), **Sch. 1 para. 7**
- F2** Words in s. 66D(1)(a) substituted (16.11.2017) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), **Sch. 7 para. 24(g)**
- F3** Words in s. 66D(1)(b) substituted (16.11.2017) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), **Sch. 7 para. 24(g)**

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001, Section 66D.