

SCHEDULES

SCHEDULE 9

TAXATION PROVISIONS RELATING TO NUCLEAR TRANSFER SCHEMES

PART 2

TRANSFERS RELATING TO BNFL OR THE UKAEA ETC.

Capital allowances: transfer of plant or machinery

- 21 (1) This paragraph applies where—
- (a) property transferred by a transfer to which this Part of this Schedule applies includes plant or machinery; and
 - (b) section 343 of the Taxes Act does not apply in relation to the transfer of the plant or machinery.
- (2) For the purposes of Part 2 of the 2001 Act (capital allowances for plant and machinery), the transferee is to be treated—
- (a) as having incurred capital expenditure on the provision of the plant or machinery at the time of the transfer; and
 - (b) as having owned the plant or machinery as a result of having incurred that expenditure.
- (3) The amount of that expenditure is to be treated as being the book value of the plant or machinery.
- (4) For the purposes of the application of section 61 of that Act in relation to the transferor the disposal value of the plant or machinery is to be treated as being the book value of the plant or machinery.
- (5) The references in this paragraph to the book value of the plant or machinery are references to the amount which, in accordance with generally accepted accounting practice (within the meaning of the Tax Acts)—
- (a) was recognised as its value in the accounts of the transferor at the time of the transfer; or
 - (b) should have been so recognised at that time.
- (6) Expressions used in this paragraph and in Part 2 of the 2001 Act have the same meanings in this paragraph as in that Part.