



# Finance Act 2010

## 2010 CHAPTER 13

### PART 1

#### CHARGES, RATES ETC

##### *Capital allowances*

#### **5 Annual investment allowance**

- (1) In section 51A(5) of CAA 2001 (entitlement to annual investment allowance: maximum allowance), for “£50,000” substitute “ £100,000 ”.
- (2) The amendment made by subsection (1) has effect in relation to expenditure incurred on or after the relevant date.
- (3) Subsections (4) and (5) apply in relation to a chargeable period (“the actual chargeable period”) which—
  - (a) begins before the relevant date, and
  - (b) ends on or after that date.
- (4) The maximum allowance under section 51A of CAA 2001 for the actual chargeable period is the sum of each maximum allowance that would be found if—
  - (a) the period beginning with the first day of the chargeable period and ending with the day before the relevant date, and
  - (b) the period beginning with the relevant date and ending with the last day of the chargeable period,were treated as separate chargeable periods.
- (5) But, so far as concerns expenditure incurred before the relevant date, the maximum allowance under section 51A of that Act for the actual chargeable period is to be calculated as if the amendment made by subsection (1) had not been made.
- (6) In this section “the relevant date” means—
  - (a) for corporation tax purposes, 1 April 2010, and

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**Changes to legislation:** There are currently no known outstanding effects  
for the Finance Act 2010, Section 5. (See end of Document for details)

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(b) for income tax purposes, 6 April 2010.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2010, Section 5.