



# Finance (No. 2) Act 2023

## 2023 CHAPTER 30

### PART 1

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

##### *Capital allowances*

### **8 Annual investment allowance to remain at £1M beyond temporary period**

- (1) The amount of £1,000,000 which is specified in section 51A(5) of CAA 2001 as the maximum allowance in relation to expenditure incurred in the period beginning with 1 January 2019 and ending with 31 March 2023 is to be the amount of the maximum allowance in relation to expenditure incurred on or after 1 April 2023 (as well as in relation to expenditure incurred in that period).
- (2) Accordingly—
  - (a) in section 51A of CAA 2001, for the amount specified in subsection (5) as the maximum allowance (which in the absence of this section would be £200,000 in relation to expenditure incurred on or after 1 April 2023) substitute “£1,000,000”, and
  - (b) the temporary AIA transitional provisions cease to have effect in relation to chargeable periods beginning before 1 April 2023 and ending on or after that date.
- (3) For this purpose “the temporary AIA transitional provisions” means—
  - (a) paragraphs 2 and 3 of Schedule 13 to FA 2019, and
  - (b) section 32 of FA 2019, section 15 of FA 2021 and section 12 of FA 2022 so far as relating to those paragraphs.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance (No. 2) Act 2023, Section 8.