
STATUTORY INSTRUMENTS

2016 No. 751

CORPORATION TAX

The Capital Allowances (Designated Assisted Areas) Order 2016

<i>Made</i>	- - - -	<i>14th July 2016</i>
<i>Laid before the House of Commons</i>	- - - -	<i>14th July 2016</i>
<i>Coming into force</i>	- -	<i>5th August 2016</i>

The Treasury make the following Order in exercise of the powers conferred by section 45K(2)(a), (3) and (4) of the Capital Allowances Act 2001⁽¹⁾.

Citation, commencement, effect and interpretation

1.—(1) This Order may be cited as the Capital Allowances (Designated Assisted Areas) Order 2016.

(2) This Order comes into force on 5th August 2016.

(3) An area designated by virtue of Schedule 1 to this Order is to be treated as having been designated on 18th March 2015.

(4) An area designated by virtue of Schedule 2 to this Order is to be treated as having been designated on 16th March 2016.

(5) In this Order “CAA 2001” means the Capital Allowances Act 2001.

Designation of areas

2.—(1) The areas shown enclosed by a line on the map of a scale of 1:1250 included in the schedule to each memorandum of understanding described in paragraph (2) are designated as designated assisted areas for the purposes of section 45K of CAA 2001 (expenditure on plant and machinery for use in designated assisted areas).

(2) In paragraph (1) references to a “memorandum of understanding” are to a memorandum of understanding entered into for the purposes of section 45K of CAA 2001 by the Treasury with the responsible authority listed in column 1 of the tables in Schedule 1 or Schedule 2 to this Order on the date listed in column 2 of those tables.

(1) 2001 c. 2; section 45K was inserted by paragraph 3 of Schedule 11 to the Finance Act 2012 (c. 14) and amended by sections 64(1) and (5) and paragraphs 1 and 3 of Schedule 13 to Finance Act 2014 (c. 26).

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(3) Each memorandum of understanding referred to in paragraph (2) is kept at the offices of HM Treasury at 1 Horse Guards Road, London SW1A 2HQ, where they (or a copy of them) may be inspected by members of the public at reasonable hours without charge.

David Evennett

Mel Stride

Two of the Lords Commissioners of Her Majesty's Treasury

14th July 2016

SCHEDULE 1

Articles 1(3) and 2(2)

Table 1

<i>Name of responsible authority</i>	<i>of</i>	<i>Date of memorandum of understanding</i>	<i>of Area included in the map</i>	<i>Enterprise Zone within which area falls</i>	<i>Assisted area within which area falls</i>
England					
Leeds Council	City	12th June 2015	Logic Leeds	Leeds City Region Enterprise Zone	Yorkshire and the Humber
East Riding of Yorkshire Council and North Lincolnshire Council and North East Lincolnshire Council		20th January 2016	Great Coates	Humber Enterprise Zone	North East
Wyre Council	Borough	27th January 2016	Hillhouse	Hillhouse International Business Park Enterprise Zone	North West
Blackpool Council		28th January 2016	Blackpool Airport	Blackpool Airport Enterprise Zone	North West
Cumbria Council and Carlisle Council	County and City	29th January 2016	Kingmoor Park	Kingmoor Park Enterprise Zone	North West
Cheshire West and Chester Council	Borough	29th January 2016	South Former Recycling Ellesmere Port	Cheshire Science Corridor Enterprise Zone	North West
			Thornton Park	Cheshire Science Corridor Enterprise Zone	North West

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		South Road Former Recycling Ellesmere Port	Cheshire Science Corridor Enterprise Zone	North West
Cheshire West and Chester Borough Council	29th January 2016	Ince Park (Phase 1) Ellesmere Port	Cheshire Science Corridor Enterprise Zone	North West
Stock-on-Trent City Council	29th January 2016	Chatterley Valley East	Ceramic Valley Enterprise Zone	West Midlands
		Etruria Valley	Ceramic Valley Enterprise Zone	West Midlands
		Temple Green	Ceramic Valley Enterprise Zone	West Midlands
Luton Borough Council	29th January 2016	Luton Airport Business Park	Luton Airport Enterprise Zone	East of England
Derby City Council	23rd June 2016	Infinity Park	Nottingham and Derby Enterprise Zone	East Midlands
Cornwall Council	12th June 2015	Newquay	Aerohub Enterprise Zone	Cornwall and the Isles of Scilly
		Goonhilly Earth Station	Aerohub Enterprise Zone	Cornwall and the Isles of Scilly

SCHEDULE 2

Articles 1(4) and 2(2)

Table 2

<i>Name of responsible authority</i>	<i>of</i>	<i>Date of memorandum of understanding</i>	<i>of Area included in the map</i>	<i>Enterprise Zone within which area falls</i>	<i>Assisted area within which area falls</i>
Northern Ireland					
The Department for the Economy		23rd June 2016	Coleraine Industrial Area	Coleraine	Northern Ireland
			Dundooan Road	Coleraine	Northern Ireland
Wales					
Welsh Ministers		29th June 2016	Baglan Park	Energy Port Talbot	Wales
			Industrial Estate	Port Talbot	Wales
			Port Talbot Docks	Port Talbot	Wales

EXPLANATORY NOTE*(This note is not part of the Order)*

This Order designates areas as designated assisted areas for the purposes of section 45K of the Capital Allowances Act 2001 (c. 2) (“CAA 2001”).

Section 45K CAA 2001 provides for 100 per cent first-year capital allowances (FYAs) for companies investing in plant or machinery for use primarily in designated assisted areas within Enterprise Zones. To qualify for this relief, the expenditure must be incurred at a time when an area is designated.

Article 2 designates areas for the purposes of section 45K of CAA 2001. The designated areas are those identified on maps included in memoranda of understanding entered into for the purposes of section 45K of CAA 2001. Article 2(3) sets out that the memoranda of understanding are deposited and available for inspection by members of the public at the address shown in that provision.

Section 45K(4) provides that, where appropriate, the order may have retrospective effect. Article 1 provides that an area designated by this Order is to be treated as having been so designated at times

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falling on or after 18th March 2015 if the area is listed in Schedule 1 and on or after 16th March 2016 if the area is listed in Schedule 2, so that this Order will ensure that the relevant FYAs provisions may have effect in relation to expenditure incurred on or after 18th March 2015 for areas listed in Schedule 1 and on or after 16th March 2016 for areas listed in Schedule 2.

A Tax Information and Impact Note covering this instrument was published on 16th March 2016 alongside Budget 2016 and is available on the HMRC website at <https://www.gov.uk/government/publications/extension-of-enhanced-capital-allowances-for-enterprise-zones/extension-of-enhanced-capital-allowances-for-enterprise-zones>. It remains an accurate summary of the impacts that apply to this instrument.