

Allowances in respect of certain contributions to capital expenditure of local authorities. FA78 s26

310.—(1) In this section—

“approved scheme” means a scheme undertaken by a local authority with the approval of the Minister for the Environment and Local Government which has as its object or among its objects the treatment of trade effluents;

“trade effluents” means liquid or other matter discharged into public sewers from premises occupied for the purposes of a trade.

(2) Where a person, for the purposes of a trade carried on or to be carried on by the person, contributes a capital sum to expenditure by a local authority on the provision of an asset to be used for the purposes of an approved scheme, in so far as the scheme relates to the treatment of trade effluents, then, such allowances, if any, shall be made to the person under section 271 , 272 , 283 or 284 as would have been made to the person if the contribution had been expenditure on the provision for the purposes of that trade of a similar asset and that asset had continued at all material times to be in use for the purposes of the trade.

(3) The following provisions shall apply in relation to a transfer of a trade or part of a trade for the purposes of which a contribution referred to in subsection (2) was made:

(a) where the transfer is of the whole trade, allowances which, if the transfer had not taken place, would have been made to the transferor under section 272 or 284 for chargeable periods ending after the date of the transfer shall be made to the transferee and shall not be made to the transferor;

(b) where the transfer is of part only of the trade, paragraph (a) shall apply in relation to so much of the allowance as is properly referable to the part of the trade transferred.