

Temporary disuse of building or structure. ITA67 s270; CTA76 s21(1) and Sch1 par27 280.—(1) For the purposes of this Chapter, a building or structure shall not be deemed to cease altogether to be used by reason that it is temporarily out of use and where, immediately before any period of temporary disuse, a building or structure is an industrial building or structure, it shall be deemed to continue to be an industrial building or structure during the period of temporary disuse.

(2) (a) Notwithstanding any other provision of this Part as to the manner of making allowances and charges but subject to paragraph (b), where by virtue of subsection (1) a building or structure is deemed to continue to be an industrial building or structure while temporarily out of use, then, if—

(i) on the last occasion on which the building or structure was in use as an industrial building or structure, it was in use for the purposes of a trade which has since been permanently discontinued, or

(ii) on the last occasion on which the building or structure was in use as an industrial building or structure, the relevant interest in the building or structure was subject to a lease which has since come to an end,

any writing-down allowance or balancing allowance to be made to any person in respect of the building or structure during any period for which the temporary disuse continues after the discontinuance of the trade or the coming to an end of the lease shall be made by means of discharge or repayment of tax, and any balancing charge to be made on any person in respect of the building or structure during that period shall be made under Case IV of Schedule D.

(b) Where for a chargeable period the person has income chargeable to tax under Case V of Schedule D and at the end of the chargeable period or its basis period the building or structure is one to which paragraph (a) applies, any writing-down allowance or balancing allowance or balancing charge to be made to or on the person in respect of the building or structure shall be made in charging that person's income under Case V of Schedule D.

(3) The reference in this section to the permanent discontinuance of a trade does not include a reference to the happening of any event which by virtue of the Income Tax Acts is to be treated as equivalent to the discontinuance of the trade.