

Allowance for machinery and plant. F(TPCM)A74 s7(1), (3) and (4); CTA76 s21 and Sch1 pars57, 58, 59 and 69; FA71 s22(3) and (4), s23, s24 and s25; FA97 s146(1) and Sch9 Ptl par7(1) 678.—(1) Where on or after the 6th day of April, 1974, new machinery or new plant (other than vehicles suitable for the conveyance by road of persons or goods or the haulage by road of other vehicles) is provided for use for the purposes of the trade of working a qualifying mine, that machinery or plant shall, if it is not qualifying machinery or plant, be deemed for the purpose of section 285 to be qualifying machinery or plant.

(2) Where on or after the 6th day of April, 1974, a person carrying on the trade of working a qualifying mine incurs capital expenditure on the provision of new machinery or new plant (other than vehicles suitable for the conveyance by road of persons or goods or the haulage by road of other vehicles) for the purposes of that trade, there shall be made to the person for the chargeable period related to the expenditure an allowance equal to 20 per cent of the expenditure, and such allowance shall be made in taxing the trade.

(3) For the purposes of ascertaining the amount of any allowance to be made to any person under section 284 in respect of expenditure incurred during a chargeable period on any qualifying machinery or plant, no account shall be taken of an allowance under subsection (2) in respect of that expenditure, and in section 284 (4) “the allowances on that account” and “the allowances” where it occurs before “exceed” shall each be construed as not including a reference to any allowance made under subsection (2) to the person by whom the trade of working a qualifying mine is carried on.

(4) Where an allowance under subsection (2) has been made to any person in respect of expenditure incurred on the provision of qualifying machinery or plant and the machinery or plant is sold by that person without the machinery or plant having been used by that person for the purposes of the trade of working a qualifying mine or before the expiration of the period of 2 years from the day on which the machinery or plant began to be so used, the allowance shall be withdrawn and all such additional assessments and adjustments of assessments shall be made as may be necessary for or in consequence of the withdrawal of the allowance.

(5) For the purposes of this section—

(a) the day on which any expenditure is incurred shall be taken to be the day when the sum in question becomes payable,

(b) expenditure shall not be regarded as having been incurred by a person in so far as it has been or is to be met directly or indirectly by the State, by any board established by statute or by any public or local authority,

(c) any expenditure incurred for the purposes of a trade by a person about to carry on the trade shall be treated as if that expenditure had been incurred by that person on the first day on which that person carries on the trade,

(d) capital expenditure shall not include any expenditure which is allowed to be deducted in computing for the purposes of tax the profits or gains of a trade carried on by the person incurring the expenditure,

and

(e) subsections (2) and (3) of section 306 shall apply in determining the chargeable period (being a year of assessment) for which an allowance is to be made under this section.

(6) For the purposes of the Income Tax Acts, any claim by a person for an allowance under this section in taxing the person's trade shall be included in the annual statement required to be delivered under those Acts of the profits or gains of the person's trade and shall be accompanied by a certificate signed by the claimant (which shall be deemed to form part of the claim) stating that the expenditure was incurred on the provision of qualifying machinery or plant and giving such particulars as show that the allowance is to be made.

(7) Section 304 (4) shall apply in relation to an allowance under subsection (2) as it applies in relation to allowances to be made under Part 9.