

Investment allowance in respect of exploration expenditure. F(TPCM)A74 s6; CTA76 s21(1) and Sch1 par68 677.—(1) Where a person carrying on the trade of working a qualifying mine incurs on or after the 6th day of April, 1974, exploration expenditure in relation to which section 673 applies, there shall, in addition to any mine development allowance made in respect of such expenditure, be made to the person in taxing the trade for the chargeable period for which such mine development allowance is made an allowance (which shall be known as an “exploration investment allowance”) equal to 20 per cent of such expenditure, and section 670 (6) shall apply to an exploration investment allowance as it applies to a mine development allowance.

(2) (a) No allowance shall be made under this section in respect of exploration expenditure—

(i) incurred before the 6th day of April, 1974, whether or not such expenditure is by virtue of any provision of the Tax Acts deemed to have been incurred on or after that date, or

(ii) which is deemed to be incurred by a person other than the person who incurred the expenditure.

(b) Paragraph (a) shall not apply in respect of expenditure deemed under section 675 to have been incurred by a body corporate other than the body corporate which incurred the expenditure.