HMRC - OT15100 - Receipts - Definition Of Qualifying Assets

OTA83\S8

Under OTA83\S6-7, the charge to tariff (see OT15025) and disposal receipts (see OT15060) is linked to ‘qualifying assets’.

A qualifying asset in relation to a participator in a taxable field is defined in OTA83\S8(1) and OTA83\S8(2) as an asset

which is not a mobile asset or is a mobile asset dedicated to that field and

on which expenditure incurred by the participator is allowable or has been allowed for that field under OTA83\S3 (see OT11050), OTA75\S4 (see OT11100) or OTA75\S3 (see OT09025).

Where the expenditure is allowable or allowed under OTA75\S3 the asset is not a qualifying asset unless, at the time the expenditure was incurred, the asset was expected to be a long- term asset see OT11025.

But under OTA83\S8(1A), the following assets are not qualifying assets:

land or an interest in land

a building or structure which is situated on land (unless it is within the categories in OTA75\S3(4)(c)(i-iv), see OT09500).

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