HMRC - OT28060 - Decommissioned Plant And Machinery Used Partly For A Non Ring Fence Trade, Expenditure Incurred On Or After 12 March 2008 And Before 22 April 2009

CAA2001\S163(4ZA to 4ZC)

There are restrictions on the amount of the general decommissioning expenditure (see OT28040) where it appears that the decommissioned plant and machinery

was brought into use partly for the purposes of the ring fence trade and partly for the purposes of another trade, or

was brought into use wholly for the purposes of the ring fence trade but has, at any time since, not been used wholly for ring fence trade purposes (CAA2001\S163(4ZA to 4ZC)).

For expenditure incurred on or after 22 April 2009 the rules were amended see OT28065.

Where plant and machinery was used for purposes of a non-ring fence trade, the decommissioning expenditure for which the special allowance is available is reduced to reflect the non-ring fence trade use of the plant and machinery. The circumstances to be taken into account in apportioning decommissioning expenditure include the extent to which the plant and machinery was not in use for the purposes of the ring fence trade. The reduction is made on a just and reasonable basis.

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