

2008 No. 1917

INCOME TAX

CORPORATION TAX

The Capital Allowances (Environmentally Beneficial Plant and Machinery) (Amendment) Order 2008

<i>Made</i>	- - - -	<i>18th July 2008</i>
<i>Laid before the House of Commons</i>		<i>21st July 2008</i>
<i>Coming into force</i>	- -	<i>11th August 2008</i>

The Treasury make the following Order in exercise of the powers conferred by sections 45H(3) to (5) and 45I of the Capital Allowances Act 2001(a).

Citation and commencement

1. This Order may be cited as the Capital Allowances (Environmentally Beneficial Plant and Machinery) (Amendment) Order 2008 and shall come into force on 11th August 2008.

Amendment of the Capital Allowances (Environmentally Beneficial Plant and Machinery) Order 2003

2.—(1) The Capital Allowances (Environmentally Beneficial Plant and Machinery) Order 2003 (b) is amended as follows.

(2) In article 2 (interpretation)(c) for the definitions of “the Water Technology Criteria List” and “the Water Technology Product List” substitute—

““the Water Technology Criteria List” means the list dated 16th July 2008 and issued by the Secretary of State for the Environment, Food and Rural Affairs on 16th July 2008;

“the Water Technology Product List” means the list dated 16th July 2008 and issued by the Secretary of State for the Environment, Food and Rural Affairs on 16th July 2008.”.

(3) In article 3(2) (description of environmentally beneficial plant and machinery technology classes)(d)—

(a) for sub-paragraphs (c) to (e) substitute—

“(c) meters and monitoring equipment;

(d) efficient taps;

(a) 2001 c. 2; sections 45H and 45I were inserted by paragraph 3 of Schedule 30 to, the Finance Act 2003 (c. 14).

(b) S.I. 2003/2076; relevant amending instruments are S.I. 2005/2423, 2006/2235 and 2007/2166.

(c) The definitions of “Water Technology Criteria List” and “Water Technology Product List” were relevantly substituted by S.I. 2007/2166.

(d) Article 3(2) was substituted by S.I. 2005/2423 and amended by S.I. 2006/2235 and 2007/2166.

- (e) efficient toilets;”;
- (b) for sub-paragraph (g) substitute—
“(g) water reuse systems;”;
- (c) for sub-paragraphs (m) and (n) substitute—
“(m)water efficient industrial cleaning equipment;
(n) water management equipment for mechanical seals;”.
- (4) In article 5 (certification of environmentally beneficial plant and machinery)(a) for paragraph (2) substitute—
“(2) This paragraph applies in the case of expenditure on—
(a) efficient membrane filtration systems for the treatment of wastewater for recovery and reuse; and
(b) efficient wastewater recovery and reuse systems,
falling within the technology class “water reuse systems” specified in the Water Technology Criteria List”.

Alan Campbell

Dave Watts

18th July 2008

Two of the Lords Commissioners of Her Majesty’s Treasury

(a) Article 5 was inserted by S.I. 2005/2423.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the Capital Allowances (Environmentally Beneficial Plant and Machinery) Order 2003 (S.I. 2003/2076, as amended). That Order implemented legislation, inserted into the Capital Allowances Act 2001 (c. 2) by paragraph 3 of Schedule 30 to The Finance Act 2003 (c. 14), so as to introduce a scheme for 100% first-year allowances to encourage businesses to invest in environmentally beneficial plant and machinery.

This Order substitutes new definitions of “the Water Technology Criteria List” and “the Water Technology Product List”. The Order also amends some of the descriptions of the environmentally beneficial plant and machinery technology classes to reflect the names of the qualifying technology classes in the Water Technology Criteria List and the Water Technology Product List. Within the technology class of water reuse systems there are two sub-technologies, namely the efficient membrane filtration systems for recovery and reuse and the wastewater recovery and reuse systems. As the design of these systems will be tailored to the needs of the particular business, the Department for the Environment, Food and Rural Affairs will issue certificates of environmental benefit. This Order accordingly substitutes article 5(2) to provide that a first year allowance is also not available in the case of expenditure on wastewater recovery and reuse systems unless an appropriate certificate of environmental benefit is in force.

The Lists specified in article 2 are available at www.eca-water.gov.uk.

A full and final Impact Assessment has not been produced for this instrument as a negligible impact on the private or voluntary sectors is foreseen.

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