STATUTORY INSTRUMENTS

1978 No. 53

INCOME TAX

The Capital Allowances (Corresponding Northern Ireland Grants) Order 1978

Made - - - -	16*th January* 1978
Laid before the House of Commons - -	25*th January* 1978
Coming into Operation	15*th February* 1978

The Treasury, in exercise of the powers conferred on them by sections 84(1) and 95(6) of the Capital Allowances Act 1968(**a**) as amended by section 67(3) of the Finance Act 1972(**b**), hereby make the following Order:—

1. This Order may be cited as the Capital Allowances (Corresponding Northern Ireland Grants) Order 1978 and shall come into operation on 15th February 1978.

2. The Interpretation Act 1889(**c**) shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

3. Notwithstanding the limit contained in Article 3(*b*) of the Capital Allowances (Corresponding Northern Ireland Grants) Order 1973(**d**) the following grants, so far as they are made towards capital expenditure and are made under agreements entered into on or after 1st August 1977 but before 1st April 1980, are hereby declared to correspond to a grant made under Part I of the Industry Act 1972(**e**):—

(*a*) any grant made under section 1 of the Industries Development Act (Northern Ireland) (1966(**f**) or made by the Local Enterprise Development Unit out of monies granted under section 4 of the Industries Development Act (Northern Ireland) 1971(**g**), being a grant at a rate not exceeding 45 per cent. of the expenditure;

(*b*) so much of any grant so made at a higher rate as is equal to 45 per cent. of the expenditure.

J. Dormand,
Peter Snape,
Two of the Lords Commissioners of Her Majesty's Treasury.

16th January 1978.

(**a**) 1968 c. 3.
(**b**) 1972 c. 41.
(**c**) 1889 c. 63.
(**d**) S.I. 1973 No. 178.
(**e**) 1972 c. 63.
(**f**) 1966 c. 36 (N.I.).
(**g**) 1971 c. 22 (N.I.).

EXPLANATORY NOTE

(This Note is not part of the Order.)

The Capital Allowances (Corresponding Northern Ireland Grants) Order 1973 specified the grants payable in Northern Ireland which correspond to grants payable in Great Britain under Part I of the Industry Act 1972 with the consequence that the amount of the specified grant is not deducted from the recipient's capital expenditure when his capital allowances are calculated. Among the grants so specified were grants made under section 1 of the Industries Development Act (Northern Ireland) 1966, or paid by the Local Enterprise Development Unit out of monies granted under section 4 of the Industries Development Act (Northern Ireland) 1971, other than any grant made at a rate exceeding 40 per cent. of the expenditure. This Order raises this limit to 45 per cent. and also provides that where the grant exceeds the limit so much of it as is equal to 45 per cent. of the expenditure shall correspond. This Order applies to grants made under agreements entered into on or after 1st August 1977 but before 1st April 1980.

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