STATUTORY INSTRUMENTS

1975 No. 842

INCOME TAX

The Capital Allowances (Relevant Grants) Order 1975

Made - - - - - 16th May 1975

The Treasury, in exercise of the powers conferred on them by Section 83(4) of the Capital Allowances Act 1968(**a**), as amended by Section 161(3) of the Transport Act 1968(**b**) and paragraph 173 of Schedule 27 to the Local Government (Scotland) Act 1973(**c**), hereby make the following Order:—

1. This Order may be cited as the Capital Allowances (Relevant Grants) Order 1975.

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

3. Any grant made under Section 34(2) of the Transport Act 1968, as amended in its application to Scotland by paragraph 14 of Schedule 18 to the Local Government (Scotland) Act 1973, is hereby declared to be relevant for the purposes of the withholding or withdrawal of investment and initial allowances.

James A. Dunn,
J. Dormand,
Two of the Lords Commissioners
of Her Majesty's Treasury.

16th May 1975.

(a) 1968 c. 3. (b) 1968 c. 73. (c) 1973 c. 65. (d) 1889 c. 63.

EXPLANATORY NOTE

(This Note is not part of the Order.)

Section 83(4) of the Capital Allowances Act 1968 entitles the Treasury to prescribe grants as "relevant" with the consequence that any capital expenditure in respect of which the grant is paid will be disqualified from initial allowances for tax purposes. Among the grants which have been so prescribed are grants made by local authorities under Section 34(1) of the Transport Act 1968 in respect of ferry services in rural areas. Under an amendment made by the Local Government (Scotland) Act 1973 such grants will now be paid in Scotland under a separate provision in Section 34(2) of the Transport Act and this Order so prescribes grants made under this subsection.

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