

*Changes to legislation: There are currently no known outstanding effects for the Oil Taxation Act 1975, Paragraph 17. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 2

#### MANAGEMENT AND COLLECTION OF PETROLEUM REVENUE TAX

##### **Modifications etc. (not altering text)**

- C1** See Oil Taxation Act 1983 (c. 56), Sch. 4 para. 14 for application of Sch. 2 to tax chargeable only by virtue of the provisions of s. 12 and Sch. 4 of that Act

##### *Interest on tax*

[<sup>F1</sup>17 (1) This paragraph applies where—

- (a) an assessment made on a participator for a chargeable period or an amendment of such an assessment (in this paragraph referred to as “the relevant assessment or amendment”) gives effect to relief under subsection (2) of subsection (3) of section 7 of this Act for one or more allowable losses accruing in a later chargeable period (in this paragraph referred to, in relation to the relevant assessment or amendment, as “the relief for losses carried back”); and
- (b) the later chargeable period referred to in paragraph (a) above ends after 30th June 1991; and
- (c) an amount of tax becomes repayable to the participator by virtue of the relevant assessment or amendment (whether wholly or partly by reason of giving effect to the relief for losses carried back).

(2) In the following provisions of this paragraph, so much of the repayment of tax referred to in sub-paragraph (1)(c) above as is attributable to giving effect to the relief for losses carried back is referred to as “the appropriate repayment” [<sup>F2</sup> and, in relation to the appropriate repayment, the chargeable period for which the relevant assessment or amendment is made is referred to as “the repayment period”].

(3) For the purpose of determining the amount of the appropriate repayment in a case where the relevant assessment or amendment not only gives effect to the relief for losses carried back but also takes account of any other matter (whether a relief or not) which goes to reduce the assessable profit of the period in question or otherwise to reduce the tax payable for that period, the amount of the repayment which is attributable to the relief for losses carried back is the difference between—

- (a) the total amount of tax repayable by virtue of the relevant assessment or amendment; and
- (b) the amount of tax (if any) which would have been so repayable if no account had been taken of the relief for losses carried back.

(4) [<sup>F3</sup>Subject to sub-paragraph (6) below] Where this paragraph applies, the amount of interest which, by virtue of paragraph 16 above [<sup>F4</sup>which is treated as reducing the

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assessable profit of the repayment period], is carried by the appropriate repayment shall not exceed the difference between—

- (a) [<sup>F5</sup>the relevant percentage of the amount] of the allowable loss or losses referred to in sub-paragraph (1)(a) above; and
- (b) the amount of the appropriate repayment.

[ For the purposes of sub-paragraph (4)(a) above—

- <sup>F6</sup>(5) (a) where the repayment period ends on or before 30th June 1993, the relevant percentage, in relation to the amount of the loss or losses which is treated as reducing the assessable profit accruing to the participator for that period is 85 per cent.; and
- (b) in relation to the amount of the loss or losses which is treated as reducing the assessable profit accruing to the participator for any later repayment period, the relevant percentage is 60 per cent <sup>F7</sup>....

(6) If, in order to give effect to the relief for losses carried back, a repayment of APRT falls, or will on the making of a claim fall, to be made with respect to a chargeable period which is the repayment period in relation to the appropriate repayment, the reference in sub-paragraph (4)(b) above to the appropriate repayment shall be construed as a reference to the aggregate of that repayment and the repayment of APRT.

(7) In sub-paragraph (6) above “APRT” means advance petroleum revenue tax paid under Chapter II of Part VI of the <sup>M1</sup>Finance Act 1982.]]

#### Textual Amendments

- F1** Sch. 2 para. 17 inserted by [Finance Act 1990 \(c. 29, SIF 63:1\)](#), s. **121(2)(3)**
- F2** Words in Sch. 2 para. 17(2) added (27.7.1993) by [1993 c. 34, ss. 186\(2\)](#), 195(3)
- F3** Words in Sch. 2 para. 17(4) inserted (27.7.1993) by [1993 c. 34, ss. 186\(3\)\(a\)](#), 195(3)
- F4** Words in Sch. 2 para. 17(4)(a) inserted (27.7.1993) by [1993 c. 34, ss. 186\(3\)\(b\)](#), 195(3)
- F5** Words in Sch. 2 para. 17(4)(a) substituted (27.7.1993) by [1993 c. 34, ss. 186\(3\)\(b\)](#), 195(3)
- F6** Sch. 2 para. 17(5)-(7) added (27.7.1993) by [1993 c. 34, ss. 186\(4\)](#), 195(3)
- F7** Words in Sch. 2 para. 17(5)(b) omitted (with effect in accordance with s. 140(4) of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), s. **140(2)**

#### Marginal Citations

- M1** [1982 c. 39](#).

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