

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

SCHEDULES

SCHEDULE 1

Section 1.

DETERMINATION OF OIL FIELDS

Modifications etc. (not altering text)

C1 See Finance Act 1982 (c. 39), s. 135

[^{F1} Areas that are oil fields]

Textual Amendments

F1 Sch. 1 para. 1 cross-heading inserted (with effect in accordance with Sch. 42 para. 8 of the amending Act) by Finance Act 2009 (c. 10), Sch. 42 para. 7(2)

- 1 (1) For the purposes of this Part of this Act an oil field is any area which the appropriate authority may determine to be an oil field, being an area of which every part is, or is part of, a licensed area.
- (2) For the purposes of this Schedule the appropriate authority, in relation to any area—
- (a) is the [^{F2}OGA] if the area is such that licences can be granted [^{F3}by the OGA] for all of it under [^{F4}Part I of the Petroleum Act 1998];
 - [^{F5}(aa) is the Scottish Ministers if the area is such that licences can be granted by the Scottish Ministers for all of it under Part 1 of the Petroleum Act 1998;]
 - [^{F5}(ab) is the [OGA] and the Scottish Ministers acting jointly if the area is such that licences can be granted for part of it by the [OGA] and for part of it by the Scottish Ministers;]
 - [^{F6}(ac) is the Welsh Ministers if the area is such that licences can be granted by the Welsh Ministers for all of it under Part 1 of the Petroleum Act 1998;
 - (ad) is the OGA and the Welsh Ministers acting jointly if the area is such that licences can be granted for part of it by the OGA and for part of it by the Welsh Ministers;]
 - (b) is the Department of Commerce for Northern Ireland if the area is such that licences can be granted for all of it under the ^{M1}Petroleum (Production) Act (Northern Ireland) 1964; and
 - (c) is the [^{F2}OGA] and that Department acting jointly if the area is such that licences can be granted for part of it under one and for part of it under the other of those Acts;
- and any reference in this Schedule to the making of representations to the appropriate authority is, in a case falling within (c) above, a reference to the making of them to either the [^{F2}OGA] or the said Department.

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Textual Amendments

- F2** Word in Sch. 1 para. 1(2) substituted (1.10.2016) by [The Petroleum \(Transfer of Functions\) Regulations 2016 \(S.I. 2016/898\)](#), regs. 1(2), 4(7)
- F3** Words in Sch. 1 para. 1(2)(a) inserted (9.2.2018) by [Scotland Act 2016 \(c. 11\)](#), ss. 48(20)(a), 72(4)(c); [S.I. 2018/163](#), reg. 2(b)
- F4** Words in Sch. 1 para. 1(2)(a) substituted (15.2.1999) by 1998 c. 17, s. 50, [Sch. 4 para. 7\(5\)](#) (with [Sch. 3 para. 5\(1\)](#)); [S.I. 1999/161](#), art. 2(1)
- F5** Sch. 1 para. 1(2)(aa)(ab) inserted (9.2.2018) by [Scotland Act 2016 \(c. 11\)](#), ss. 48(20)(b), 72(4)(c); [S.I. 2018/163](#), reg. 2(b)
- F6** [Sch. 1 para. 1\(2\)\(ac\)\(ad\)](#) inserted (1.10.2018) by [Wales Act 2017 \(c. 4\)](#), s. 71(4), [Sch. 6 para. 20](#) (with [Sch. 7 paras. 1, 6](#)); [S.I. 2017/1179](#), reg. 4(b)

Marginal Citations

- M1** 1964 c. 28 (N.I.)

- 2 Before determining an area to be an oil field the appropriate authority—
- (a) shall give notice in writing of the proposed determination to every person who is a licensee in respect of a licensed area wholly or partly included in that area and to any other licensee whose interests appear to the authority to be affected; and
 - (b) shall consider any representations in writing which a person to whom a notice under this paragraph has been given may make to the authority within sixty days of receiving the notice,
- and the determination may be made either as proposed or with such modifications as appear to the authority to be appropriate after considering any representations made to the authority in accordance with this paragraph.
- 3 A determination under this Schedule shall be in such form as the appropriate authority thinks fit and shall for purposes of identification assign to the field to which it relates a distinguishing number or other designation.
- 4 The appropriate authority shall give notice of any determination made by the authority under this Schedule to each of the persons to whom notice of the proposed determination was given.
- 5 A determination under this Schedule may from time to time be varied by a new determination thereunder made by the appropriate authority, and paragraphs 2 to 4 above shall apply to any such new determination.

[^{F7}Areas treated as continuing to be oil fields

Textual Amendments

- F7** Sch. 1 paras. 6, 7 and cross-heading inserted (with effect in accordance with Sch. 42 para. 8 of the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 42 para. 7\(3\)](#)

- 6 (1) This paragraph applies if an area has ceased to be—
- (a) an oil field within the meaning of paragraph 1(1), or
 - (b) part of such an oil field.
- (2) The area is to be treated as continuing to be—

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- (a) the oil field, or
 - (b) the part of the oil field,that it actually was.
 - (3) Accordingly, whilst the area is treated in accordance with sub-paragraph (2), any reference to an oil field is to include a reference to the area.
 - (4) Sub-paragraph (2) ceases to apply to the area—
 - (a) in accordance with sub-paragraph (5), and
 - (b) if or to the extent that it has not ceased to apply in accordance with sub-paragraph (5), in accordance with sub-paragraph (6).
 - (5) Sub-paragraph (2) ceases to apply to the area if, or to the extent that, it again becomes—
 - (a) an oil field within the meaning of paragraph 1(1), or
 - (b) part of such an oil field.
 - (6) Sub-paragraph (2) ceases to apply to the area at the end of the second chargeable period that falls after the chargeable period in which the area is decommissioned.
- 7
- (1) A relevant area is decommissioned for the purposes of paragraph 6 if all qualifying assets of the relevant area are decommissioned.
 - (2) If, and to the extent that, a UK offshore decommissioning regime applies to qualifying assets of the relevant area, those assets are decommissioned if—
 - (a) the Secretary of State has approved one or more abandonment programmes under the regime in relation to those assets, and
 - (b) those programmes have been carried out to the satisfaction of the Secretary of State.
 - (3) If, and to the extent that, a UK offshore decommissioning regime does not apply to qualifying assets of the relevant area, those assets are decommissioned if the Board are satisfied that they have been decommissioned.
 - (4) For the purposes of sub-paragraph (3) the Board must have regard to any obligations to decommission the qualifying assets which arise under the law applicable to [^{F8}those qualifying assets] (whether the law of any part of the United Kingdom or of any other state or territory), including any obligations imposed by an authority having functions under that law in respect of such decommissioning.
 - (5) If sub-paragraph (3) applies (to any extent) to any qualifying assets, the Board must give the responsible person notice of any decision the Board make under that sub-paragraph.
 - (6) The responsible person may appeal against such a decision by notice in writing given to the Board within three months of the responsible person receiving the notice under sub-paragraph (5).
 - (7) An appeal under sub-paragraph (6) may, before it is notified to the tribunal, be abandoned by notice in writing given to the Board by the responsible person.
 - (8) The provisions of paragraphs 14A to 14I of Schedule 2 apply to appeals under sub-paragraph (6) subject to any necessary modifications.
 - (9) In this paragraph—

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“qualifying assets” means assets that are qualifying assets within the meaning of OTA 1983;

“relevant area” means an area that is treated as being an oil field, or part of an oil field, under paragraph 6;

“UK offshore decommissioning regime” means—

- (a) Part 4 of the Petroleum Act 1998, and
- (b) Part 1 of the Petroleum Act 1987.]

Textual Amendments

- F8** Words in [Sch. 1 para. 7\(4\)](#) substituted (with effect in accordance with s. 61(2) of the amending Act) by [Finance Act 2011 \(c. 11\), s. 61\(1\)](#)

Modifications etc. (not altering text)

- C2** [Sch. 1 para. 7\(2\)-\(9\)](#) applied by [2010 c. 4, s. 350\(3\)](#) (as substituted (with effect in accordance with s. 63(4) of the amending Act) by [Finance Act 2011 \(c. 11\), s. 63\(2\)](#))

SCHEDULE 2

Section 1.

MANAGEMENT AND COLLECTION OF PETROLEUM REVENUE TAX

Modifications etc. (not altering text)

- C3** 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

Management of tax

- 1 (1) The tax shall be under the care and management of the Board; and the provisions of the ^{M2}Taxes Management Act 1970 specified in the first column of the following Table shall apply in relation to the tax as they apply in relation to a tax within the meaning of that Act, subject to any modifications specified in the second column of that Table and with the substitution, for references to Part IX of that Act or to the Taxes Acts, of references to this Part of this Act and, for references to chargeable periods within the meaning of that Act, of references to chargeable periods within the meaning of this Part of this Act.

TABLE

<i>Provisions applied</i>	<i>Modifications</i>
Section	
1(3)	
F9	
...	
33	F10

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	...
	In subsection (3), after “assessments made on” insert “ or determinations made in relation to ”.
	In subsection (5), for the words following “profits” substitute “ means assessable profits. ”
34	
36	F11
	...
	“ For the purposes of this section any fraud, wilful default or neglect committed at any time by a responsible person for an oil field in connection with or in relation to the tax shall be treated as having been committed on behalf of each of the participators in that field at that time. ”
[^{F12} 47C	—]
F9	F9
...	...
48	
49	
F13	
...	
50(1)-(5)	F14
	...
51	...
52	...
F9	
...	
56	F15
	...
F16	-
[Section [^{F17} 56]	
F9	F9
...	...
F9	F9
...	...
F9	F9
...	...]

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F9	F9
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F9	F9
.
60	In subsection (1), omit the words following “charged therewith”.
61	In subsection (1), omit the words from “distrain upon” to “is charged or”.
62(1)	Omit “or which are payable for the year in which the seizure is made” and for “one year” and “one whole year” substitute “ two chargeable periods ”.
(2)	For “one whole year” substitute “ two chargeable periods ”.
63	
64(1)	For “one year” and “one whole year” substitute “ two chargeable periods ”.
(2)	For “one whole year” substitute “ two chargeable periods ”.
66	
67	
68	
69	In paragraph (a), substitute a reference to section 68 as applied by this paragraph for the reference to the sections there specified.
F18	F18
.
89(2)	For the reference to the rate or rates of interest prescribed by subsection (1) of that section substitute a reference to the rate of interest mentioned in paragraph 15 of this Schedule.
(3)	
90	
98	F19
	. . .
F20	
. . .	
F21	[^{F23} In subsection (1) omit the words after “penalty”].
Section [^{F22} 100C]	

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F24	F24
.
F24	F24
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F24	
. . .	
F24	
. . .	
F21	
101	For the reference to income or chargeable gains substitute a reference to assessable profits.
102	
[^{F25} Section103(1)]	[^{F25} For the words from the beginning to “court -” substitute “ Where the amount of a penalty is to be ascertained by reference to tax payable by a person for any period , proceedings for the penalty may be commenced before the [^{F26} tribunal] - ”]
[^{F25} (4)]	[^{F25} For the words from the beginning to “court,” substitute “ Proceedings for a penalty to which subsection (1) above does not apply may be commenced before the [^{F26} tribunal] .] ”
104	
105	
107(1)–(3)	
108	In subsection (2), for the words from the beginning to “Acts” substitute “ The tax chargeable ”.
112	In subsection (1), after “assessment to tax” and “the assessment” insert “ or determination ” and after “duplicate of assessment to tax” and “duplicate of assessment” insert “ or of determination ”.
113(1A)	
(3)	After “assessment” insert “ determination ” and after “notice of assessment” insert “ notice of determination ”.
114	After “assessment” wherever occurring insert “ or determination ”.

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115(1)–(3)

118(1)

(2)

- (2) Any expression to which a meaning is given in this Part of this Act which is used in a provision of the ^{M3}Taxes Management Act 1970 applied by this paragraph shall, in that provision as so applied, have the same meaning as in this Part of this Act.

Textual Amendments

- F9** Sch. 2 para. 1(1) Table entries omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 70(2)**
- F10** Sch. 2 para. 1(1) Table entry omitted (1.4.2011) by virtue of [Finance \(No. 3\) Act 2010 \(c. 33\)](#), s. 28(2), **Sch. 12 para. 7**
- F11** Sch. 2 para. 1(1) Table entries omitted (1.4.2011) by virtue of [Finance Act 2009 \(c. 10\)](#), s. 99(2), **Sch. 51 para. 18(3)**; S.I. 2010/867, art. 2(2)
- F12** Entry in Sch. 2 para. 1(1) Table inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 70(3)**
- F13** Word in Sch. 2 para. 1(1) Table omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 70(4)**
- F14** Entries in Sch. 2 para. 1(1) Table (relating to ss. 50(1)–(5), 51, 52) repealed by S.I. 1994/1813, reg. 2, Sch. 1 para. 18(a), **Sch. 2 Pt. I**
- F15** Entry in Sch. 2 para. 1(1) Table relating to s. 56 repealed by S.I. 1994/1813, reg. 2, Sch. 1 para. 18(a), **Sch. 2 Pt. I**
- F16** Entries in Sch. 2 para. 1(1) Table (relating to ss. 56A–56D) inserted (16.7.1992 with effect in accordance with s. 74(5) of the amending Act) by [Finance \(No. 2\) Act 1992 \(c. 48\)](#), s. 76, **Sch. 16 para. 6(3)**
- F17** Word in Sch. 2 para. 1(1) Table substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 70(5)**
- F18** Sch. 2 para. 1(1) Table entries omitted (21.7.2008) by virtue of [Finance Act 2008 \(c. 9\)](#), **Sch. 44 para. 2**
- F19** Entry in Sch. 2 para. 1(1) Table relating to s. 98 repealed by S.I. 1994/1813, reg. 2 Sch. 1 para. 18(c)
- F20** Sch. 2 para. 1(1) Table entry omitted (1.4.2013) by virtue of [Finance Act 2012 \(c. 14\)](#), s. 223, **Sch. 38 para. 51** (with [Sch. 38 para. 43](#)); S.I. 2013/279, art. 2
- F21** Entries in Sch. 2 para. 1(1) Table (relating to s. 100C) substituted (for entries relating to s. 100) by [Finance Act 1991 \(c. 31\)](#), s. 109(1)(2)
- F22** Word in Sch. 2 para. 1(1) Table substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 70(6)(a)**
- F23** Words in Sch. 2 para. 1(1) Table substituted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 70(6)(b)**
- F24** Sch. 2 para. 1(1) Table entries omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 70(7)**
- F25** Entries in Sch. 2 para. 1(1) Table (relating to s. 103) substituted by [Finance Act 1991 \(c. 31\)](#), s. 109(1)(3)
- F26** Words in Sch. 2 para. 1(1) Table substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 70(8)**

Modifications etc. (not altering text)

- C4** See also [Finance Act 1981 \(c. 35\)](#), s. 128(1) and Sch. 16 para. 2; [Oil Taxation Act 1983 \(c. 56\)](#), **Sch. 4 para. 9(1)**

Marginal Citations

- M2** 1970 c. 9.
M3 1970 c. 9.

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Returns by participators

- 2 (1) Every participator in [^{F27}a taxable field] shall, for each chargeable period, prepare and, within two months after the end of the period [^{F28}or within such longer period as the Board may allow], deliver to the Board a return complying with the following provisions of this paragraph; but nothing in this sub-paragraph shall require a participator to deliver a return under this paragraph before 31st August 1975.
- (2) A return under this paragraph for a chargeable period shall give the following information in relation to oil which is or was included in the participator's share of any oil won from [^{F27}the taxable field] (whether or not in that period), that is to say—
- (a) in the case of each delivery (other than one made before 13th November 1974) in the period of oil disposed of by him crude (other than oil delivered as mentioned in (c) of this sub-paragraph), the return shall—
 - (i) state the quantity of oil delivered;
 - (ii) state the person to whom the oil was disposed of;
 - (iii) in the case of oil disposed of in a sale at arm's length, state the price received or receivable for the oil or, in the case of oil disposed of otherwise than in a sale at arm's length, state the market value of the oil [^{F29}at the material time][^{F30}as determined in accordance with Schedule 3 to this Act in the case of the delivery][^{F31}or (in the case of light gases) the market value as determined in accordance with paragraph 3A of Schedule 3 to this Act]; and
 - (iv) contain such other particulars of or relating to the disposal as the Board may prescribe;
 - (b) in the case of each relevant appropriation of crude oil (other than one made before 13th November 1974) in the period (not being oil disposed of by him), the return shall—
 - (i) state the quantity of oil appropriated;
 - (ii) state the market value of the oil [^{F29}at the material time][^{F32}as determined in accordance with Schedule 3 to this Act in the case of the appropriation][^{F33}or (in the case of light gases) the market value as determined in accordance with paragraph 3A of Schedule 3 to this Act]; and
 - (iii) contain such other particulars of or relating to the appropriation as the Board may prescribe;
 - (c) in the case of crude oil delivered to the [^{F34}OGA] in the period under the terms of a licence granted under [^{F35}Part I of the Petroleum Act 1998], the return shall state the total quantity of the oil;
 - (d) in the case of crude oil which, at the end of the period, has either not been disposed of and not relevantly appropriated or has been disposed of but not delivered, the return shall—
 - (i) state the quantity of the oil;
 - (ii) state the market value of the oil [^{F36}on the last business day] of the period; and
 - (iii) contain such other particulars relating to the oil as the Board may prescribe.

[^{F37}(2A) Every participator in [^{F27}a taxable field] shall, in the first return under this paragraph which he makes for that field, state whether any and, if any, how much

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[^{F38}expenditure to which section 5A or section 5B] of this Act applies and which relates to, or to a licence for, any part of the field has been claimed under Schedule 7 to this Act—

- (a) by him, or
- (b) by a company associated with him in respect of that expenditure, or
- (c) if he or such a company is the new participator, within the meaning of Schedule 17 to the Finance Act 1980, by the old participator, within the meaning of that Schedule, or by a company associated with him in respect of that expenditure,

and subsection (7) of section 5 of this Act applies for the purposes of this subparagraph as it applies for the purposes of that section.]

(3) A return under this paragraph for a chargeable period shall state—

- (a) the amount of royalty payable by the participator for that period in respect of his share of oil won from the field as shown in the return or returns made by him to the Secretary of State under the relevant licence or licences;
- (b) the amount of royalty paid by the participator in that period in respect of that share;
- (c) the amount of any royalty paid under any relevant licence in respect of the field which was repaid to the participator in that period; and
- (d) the amount of any periodic payment made by the participator to the [^{F39}OGA] in that period under each relevant licence otherwise than by way of royalty.

[^{F40}(3A) A return under this paragraph for a chargeable period shall—

- (a) state the amount (if any) which, in the case of the participator, is to be brought into account for that period in accordance with section 2(5)(e) of this Act;
- (b) contain such particulars as the Board may prescribe (whether before or after the passing of the Finance Act 1987) with respect to any nominated transaction under Schedule 10 to that Act—
 - (i) the effective volume of which forms part of the participator's aggregate effective volume (construing those terms in accordance with that Schedule) for any calendar month comprised in that chargeable period; and
 - (ii) which has not led to deliveries of oil or relevant appropriations of which particulars are included in the return by virtue of subparagraph (2) above; and
- (c) contain such other particulars as the Board may prescribe (as mentioned above) in connection with the application of section 61 of and Schedule 10 to the Finance Act 1987.]

(4) A return under this paragraph shall be in such form as the Board may prescribe and shall include a declaration that the return is correct and complete.

[^{F41}(5) The power of the Board to allow an extension of time under subparagraph (1) above shall include power—

- (a) to allow an extension for an indefinite period; and
- (b) to provide for the period of any extension to end at such time as may be stipulated in a notice given by the Board.]

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Textual Amendments

- F27** Words in Sch. 2 para. 2(1)(2)(2A) substituted (27.7.1993) by [1993 c.34 s. 187\(1\)](#)
- F28** Words in Sch. 2 para. 2 inserted (27.7.1999 with application in relation to chargeable periods ending on or after 30.6.1999) by [1999 c. 16, s. 102\(1\)\(a\)\(8\)](#)
- F29** Words repealed by [Finance Act 1987 \(c. 16\), ss. 62\(1\)\(d\), 72\(7\)](#) and Sch. 16 Part X for chargeable periods ending after 31 December 1986
- F30** Words in Sch. 2 para. 2(2)(a)(iii) substituted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\), Sch. 18 para. 7\(2\)](#)
- F31** Words in Sch. 2 para. 2(2)(a)(iii) inserted (3.5.1994) by [1994 c. 9, s. 236\(1\), Sch. 23 para. 2](#) (with saving in [s. 236\(2\)](#))
- F32** Words in Sch. 2 para. 2(2)(b)(ii) substituted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\), Sch. 18 para. 7\(3\)](#)
- F33** Words in Sch. 2 para. 2(2)(b)(ii) inserted (3.5.1994) by [1994 c. 9, s. 236\(1\), Sch. 23 para. 2](#) (with saving in [s. 236\(2\)](#))
- F34** Word in [Sch. 2 para. 2\(2\)\(c\)](#) substituted (1.10.2016) by [The Petroleum \(Transfer of Functions\) Regulations 2016 \(S.I. 2016/898\), regs. 1\(2\), 4\(8\)](#)
- F35** Words in Sch. 2 para. 2(2)(c) substituted (15.2.1999) by [1998 c. 17, s. 50, Sch. 4 para. 7\(6\)](#) (with [Sch. 3 para. 5\(1\)](#)); [S.I. 1999/161, art. 2\(1\)](#)
- F36** Words in Sch. 2 para. 2(2)(d)(ii) substituted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\), Sch. 18 para. 7\(4\)](#)
- F37** Schedule 2 para. 2(2A) inserted by [Finance Act 1983 \(c. 49\), s. 37\(2\)](#) and Sch. 8 Part II para. 5
- F38** Words substituted by [Finance Act 1987 \(c. 16\), s. 64\(2\)](#) and Sch. 13 Part II para. 4
- F39** Word in [Sch. 2 para. 2\(3\)\(d\)](#) substituted (1.10.2016) by [The Petroleum \(Transfer of Functions\) Regulations 2016 \(S.I. 2016/898\), regs. 1\(2\), 4\(8\)](#)
- F40** Schedule 2 para. 2(3A) inserted by [Finance Act 1987 \(c. 16\), s. 61\(1\)](#) and Sch. 10 para. 13
- F41** Sch. 2 para. 2(5) inserted (27.7.1999 with application in relation to chargeable periods ending on or after 30.6.1999) by [1999 c. 16, s. 102\(1\)\(b\)\(8\)](#)

Modifications etc. (not altering text)

- C5** See [Petroleum Revenue Tax Act 1980 \(c. 1, SIF 63:1\), s. 1](#); [Finance Act 1981 \(c. 35\), ss. 118, 128\(1\)](#) and [Sch. 16 para. 3](#); [Finance Act 1982 \(c. 39\), s. 135\(1\)\(b\), \(3\)\(a\)](#); [Oil Taxation Act 1983 \(c. 56\), s. 10\(1\)\(2\)](#); [Finance Act 1984 \(c. 43\), s. 114\(7\)](#)
- C6** See [Oil Taxation Act 1983 \(c. 56\), s. 10\(3\)](#)

- 3 (1) If a participator fails to deliver a return within the time allowed for doing so under paragraph 2(1) above he shall be liable, subject to sub-paragraph (3) below—
- (a) to a penalty not exceeding, except in the case mentioned in sub-paragraph (2) below, £500; and
- (b) if the failure continues after it has been declared by the court or the ^{F42}tribunal before which proceedings for the penalty have been commenced, to a further penalty not exceeding £100 for each day on which the failure so continues.
- (2) If the failure continues after the end of six months from the time by which the return ought to have been delivered, the penalty under sub-paragraph (1)(a) above shall be an amount not exceeding the aggregate of £500 and the total amount of the tax with which the participator is charged for the chargeable period in question.
- (3) Except in the case mentioned in sub-paragraph (2) above, the participator shall not be liable to any penalty incurred under this paragraph for failure to deliver a return

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if the failure is remedied before proceedings for the recovery of the penalty are commenced.

Textual Amendments

F42 Words in Sch. 2 para. 3(1)(b) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 71**

Modifications etc. (not altering text)

C7 See [Finance Act 1981 \(c. 35\)](#), **s. 128(1)** and Sch. 16 para. 3; [Finance Act 1982 \(c. 39\)](#), **s. 139(6)** and Sch. 19 para. 1(5); [Oil Taxation Act 1983 \(c. 56\)](#), **s. 10(3)**

Appointment of responsible person for each oil field

- 4 (1) For each oil field a body corporate or partnership shall be appointed in accordance with this paragraph as the responsible person for that field to perform, in relation to the field, any functions conferred on it as such by this Part of this Act; and the body or partnership which for the time being holds that appointment is in this Part of this Act referred to as “the responsible person”.
- (2) No body corporate shall be eligible for appointment as the responsible person for [^{F43}a taxable field] unless it is resident in the United Kingdom, and no partnership shall be so eligible unless all its members are resident there.
- (3) The participators in [^{F43}a taxable field] shall, by notice in writing to the Board within the initial period, nominate a body corporate or a partnership for appointment as the responsible person for that oil field and, if the Board approve the nomination, the Board shall appoint that body or partnership as the responsible person and give it notice that it has been so appointed.
- (4) If—
- (a) the participators have made no nomination within the initial period; or
 - (b) the Board do not appoint the body or partnership nominated under subparagraph (3) above,
- the Board shall appoint one of the participators in [^{F43}the taxable field] as the responsible person for the field and shall give notice to that participator that he has been so appointed.
- (5) For the purposes of the preceding provisions of this paragraph, the initial period is the period of thirty days beginning with the latest date on which notice of determination of [^{F43}the taxable field] is given to any of the participators under paragraph 4 of Schedule 1 to this Act.
- (6) The Board may at any time, on the application of all the participators in [^{F43}a taxable field], appoint a body corporate or partnership nominated by the participators as the responsible person for that field in place of the body corporate or partnership which is the responsible person at that time, and shall give the body or partnership so appointed notice that it has been so appointed.
- (7) The Board may, by notice in writing to the body corporate or partnership which is for the time being the responsible person for [^{F43}a taxable field], revoke the appointment of that body or partnership as the responsible person for that field; and where they

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do so the Board shall appoint one of the participators in [^{F43}the taxable field] as the responsible person for that field and shall give notice to the participator that he has been so appointed.

- (8) In this paragraph “participator”, in relation to [^{F43}a taxable field], means a person who is a licensee in respect of any licensed area wholly or partly included in the field.

Textual Amendments

F43 Words in Sch. 2 para. 4 substituted (27.7.1993) by 1993 c.34 s. 187(1)

Modifications etc. (not altering text)

C8 See Oil Taxation Act 1983 (c. 56), **Sch. 4 para. 13** in relation to a foreign field

Returns by the responsible person

- 5 (1) The responsible person for [^{F44}a taxable field] shall, for each chargeable period, prepare and, within one month after the end of the period [^{F45}or within such longer period as the Board may allow], deliver to the Board a return for that period complying with sub-paragraphs (2) and (3) below; but nothing in this sub-paragraph shall require the responsible person to deliver a return under this paragraph before 31st July 1975.
- (2) A return under this paragraph for a chargeable period shall—
- state the quantity of oil won and saved from [^{F44}the taxable field] during the period;
 - state the respective interests of the participators in the field in that oil;
 - state what, in accordance with those interests, is each participator’s share of that oil; and
 - contain such other particulars of or relating to the field as the Board may require.
- [^{F46}(2A) The reference in sub-paragraph (2)(d) above to particulars of or relating to the field includes a reference to particulars required for determining the amount by which any qualifying tariff receipts, within the meaning of section 9 of the Oil Taxation Act 1983, are to be treated as reduced by virtue of that section.]
- [^{F47}(2B) If in any chargeable period oil won from [^{F44}the taxable field] is mixed as mentioned in section 63 of the Finance Act 1987 so as to give rise to blended oil, within the meaning of that section, then, as respects that chargeable period, for paragraph (a) of sub-paragraph (2) above there shall be substituted the following paragraph—
- “state the total of the shares of the participators in [^{F44}the taxable field] of the oil won from the field during the period less so much of the oil won from the field as is not saved”.]
- (3) A return under this paragraph shall be in such form as the Board may prescribe and shall include a declaration that the return is correct and complete.
- [^{F48}(4) The power of the Board to allow an extension of time under sub-paragraph (1) above shall include power—
- to allow an extension for an indefinite period; and

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- (b) to provide for the period of any extension to end at such time as may be stipulated in a notice given by the Board.]

Textual Amendments

- F44** Words in Sch. 2 para. 5 substituted (27.7.1993) by [1993 c.34 s. 187\(1\)](#)
- F45** Words in Sch. 2 para. 5 inserted (27.7.1999 with application in relation to chargeable periods ending on or after 30.6.1999) by [1999 c. 16, s. 102\(2\)\(a\)\(8\)](#)
- F46** Schedule 2 para. 5(2A) inserted by [Oil Taxation Act 1983 \(c. 56\), s. 10\(4\)](#) with respect to chargeable periods ending after 1 December 1983
- F47** Schedule 2 para. 5(2B) inserted by [Finance \(No. 2\) Act 1987 \(c. 51\), s. 101\(4\)](#) for chargeable periods ending after 1 January 1987
- F48** Sch. 2 para. 5(4) inserted (27.7.1999 with application in relation to chargeable periods ending on or after 30.6.1999) by [1999 c. 16, s. 102\(2\)\(b\)\(8\)](#)

Modifications etc. (not altering text)

- C9** See [Finance Act 1981 \(c. 35\), s. 128\(1\)](#) and Sch. 16 para. 3; [Finance Act 1982 \(c. 39\), s. 135\(1\)\(b\), \(3\)\(b\)](#); [Oil Taxation Act 1983 \(c. 56\), s. 10\(5\)](#)

- 6 (1) If the responsible person fails to deliver a return within the time allowed for doing so under paragraph 5(1) above he shall be liable—
 - (a) to a penalty not exceeding £500, and
 - (b) if the failure continues after it has been declared by the court or [^{F49}the tribunal before which] proceedings for the penalty have been commenced, to a further penalty not exceeding £100 for each day on which the failure so continues.
- (2) The responsible person shall not be liable to any penalty incurred under subparagraph (1) above for failure to deliver a return if the failure is remedied before proceedings for the recovery of the penalty are commenced.

Textual Amendments

- F49** Words in Sch. 2 para. 6(1)(b) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\), art. 1\(2\), Sch. 1 para. 72](#)

Production of accounts, books and other information

F507

Textual Amendments

- F50** Sch. 2 para. 7 repealed (27.7.1993) by [1993 c.34 s. 187\(1\), 213, Sch. 23 Pt.IV](#)

Incorrect returns, accounts, etc.

F518

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Textual Amendments

F51 Sch. 2 para. 8 omitted (1.4.2009) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 21\(a\)](#); [S.I. 2009/571](#), art. 2

F52g

Textual Amendments

F52 Sch. 2 para. 9 omitted (1.4.2009) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 21\(a\)](#); [S.I. 2009/571](#), art. 2

Assessments to tax and determinations of loss, etc.

10 (1) Where it appears to the Board that, in accordance with the provisions of this Part of this Act, an assessable profit has accrued to a participator in a chargeable period from [^{F53}a taxable field], they shall make an assessment to tax on the participator and shall give him notice of the assessment.

[^{F54}(1A) An assessment under sub-paragraph (1) may be made at any time not more than 4 years after the end of the chargeable period to which it relates (subject to paragraphs 12A [^{F55}, 12B and 13E]).]

(2) Where it appears to the Board that, in accordance with those provisions, an allowable loss has accrued to a participator in a chargeable period from [^{F53}a taxable field], they shall make a determination that the loss is allowable to the participator and shall give him notice of the determination.

(3) Where it appears to the Board that, in accordance with those provisions, neither an assessable profit nor an allowable loss has accrued to a participator in a chargeable period, they shall make a determination to that effect and shall give him notice of the determination.

(4) A notice of assessment for a chargeable period shall state the amount of any allowable losses which, in accordance with those provisions, have been set against the assessable profit for that period.

(5) A notice of assessment or determination shall state that the participator may appeal against the assessment or determination in accordance with paragraph 14 below.

(6) After the service of the notice of assessment or the notice of determination the assessment or determination, as the case may be, shall not be altered except in accordance with the express provisions of this Part of this Act (including the provisions applied by paragraph 1 above).

Textual Amendments

F53 Words in Sch. 2 para. 10 substituted (27.7.1993) by [1993 c.34 s. 187\(1\)](#)

F54 Sch. 2 para. 10(1A) inserted (1.4.2011) by [Finance Act 2009 \(c. 10\)](#), s. 99(2), [Sch. 51 para. 19](#); [S.I. 2010/867](#), art. 2(2)

F55 Words in Sch. 2 para. 10(1A) substituted (1.4.2011) by [Finance \(No. 3\) Act 2010 \(c. 33\)](#), s. 28(2), [Sch. 12 para. 8](#)

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Modifications etc. (not altering text)

C10 See Finance Act 1980 (c. 48), s. 106 and Sch. 17 para. 14 where interest in oil field transferred after 1 August 1980

- 11 (1) Where a participator has under paragraph 2 above delivered to the Board a return for a chargeable period and the Board are satisfied that the information given in the return is correct in so far as it is material for the purpose of computing his assessable profit or allowable loss (if any) for that period, the Board shall (in so far as the computation falls to be made by reference to the matters dealt with in the return) make the assessment or determination under paragraph 10 above in accordance with the return.
- (2) Where the Board are not so satisfied in relation to a participator's return or a participator fails to deliver to the Board a return for a chargeable period as required by paragraph 2 above, the Board shall, in so far as the computation of his assessable profit or allowable loss (if any) for that period falls to be made by reference to the matters which were dealt with in the return or, as the case may be, ought to have been dealt with in a return, make the assessment or determination under paragraph 10 above to the best of their judgment.
- (3) Nothing in sub-paragraph (2) above or in paragraph 5 above shall be taken, in a case where the participator has delivered a return as to which the Board are not satisfied as mentioned in sub-paragraph (1) above, to prevent the Board from basing their assessment or determination on the participator's having had an interest in oil won and saved from the field different from that on which he based his return.
- 12 (1) Where it appears to the Board—
- (a) that the assessable profit charged to tax by or stated in an assessment ought to be or to have been larger or smaller; or
 - (b) that the allowable loss stated in an assessment or a determination of loss ought to be or to have been larger or smaller; or
 - (c) that, where they made a determination that neither an assessable profit nor an allowable loss accrued in a chargeable period, they ought to have made an assessment to tax or a determination of loss for that period, ^{F56}or
 - ^{F57}(d) that for any chargeable period they ought to have made an assessment to tax instead of a determination of loss or a determination of loss instead of an assessment to tax];
- the Board may make such assessments or determinations or such amendments of assessments or determinations as may be necessary; and where the Board exercise any of their powers under this paragraph in relation to a chargeable period, they may make such ^{F58}assessments or determinations or amendments of assessments or determinations] for other chargeable periods as may be necessary in consequence of the exercise of those powers^{F59} and “taxable field” and “non-taxable field” have the same meaning as in Part III of the Finance Act 1993].
- ^{F60}(1A) An assessment (or an amendment of an assessment) under sub-paragraph (1) may be made at any time not more than 4 years after the end of the chargeable period to which the assessment relates (subject to sub-paragraph (1B) and paragraphs 12A and 12B).
- (1B) The time limits in sub-paragraph (1A) and paragraphs 12A and 12B do not apply to an amendment of an assessment where the amendment is made in consequence (directly or indirectly) of—

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- (a) the granting of relief under section 7(2) or (3) to any participator for allowable losses accruing in any chargeable period,^{F61} ...
- [a claim under paragraph 13A (see paragraph 13E), or]
- ^{F62}(aa)
- (b) a notice of variation served under paragraph 9 of Schedule 5 on any responsible person in respect of a claim for any claim period.]
- (2) Where under sub-paragraph (1) above it appears to the Board that the assessable profit for a chargeable period ought to have been larger and that the deficiency resulted from an excessive allowable loss accruing in a subsequent period having been set against the profit for that period, the Board may^{F63} ... make a further assessment by virtue of sub-paragraph (1) above at any time not later than [^{F64}4 years] after the end of the chargeable period in which the allowable loss accrued [^{F65}(subject to paragraphs 12A and 12B)] .
- [^{F66}(3) Where under this paragraph the Board make an assessment or determination or amend an assessment or determination they shall give notice thereof to the participator concerned; and sub-paragraphs (4), (5) and (6) of paragraph 10 above shall apply in relation to any such assessment, determination or amendment as they apply in relation to an assessment or determination under that paragraph.]

Textual Amendments

- F56** Word added by [Finance Act 1976 \(c. 40\), s. 130\(2\)](#)
- F57** Sch. 2 para. 12(1)(d) added by [Finance Act 1976 \(c. 40\), s. 130\(2\)](#)
- F58** Words substituted by [Finance Act 1976 \(c. 40\), s. 130\(2\)](#)
- F59** Definitions in s. 12(1) added (27.7.1993) by [1993 c.34 s. 185\(5\)](#)
- F60** Sch. 2 para. 12(1A)(1B) inserted (1.4.2011) by [Finance Act 2009 \(c. 10\), s. 99\(2\)](#), [Sch. 51 para. 20\(2\)](#); [S.I. 2010/867, art. 2\(2\)](#)
- F61** Word in Sch. 2 para. 12(1B)(a) omitted (1.4.2011) by virtue of [Finance \(No. 3\) Act 2010 \(c. 33\), s. 28\(2\)](#), [Sch. 12 para. 9\(a\)](#)
- F62** Sch. 2 para. 12(1B)(aa) inserted (1.4.2011) by [Finance \(No. 3\) Act 2010 \(c. 33\), s. 28\(2\)](#), [Sch. 12 para. 9\(b\)](#)
- F63** Words in Sch. 2 para. 12(2) omitted (1.4.2011) by virtue of [Finance Act 2009 \(c. 10\), s. 99\(2\)](#), [Sch. 51 para. 20\(3\)\(a\)](#); [S.I. 2010/867, art. 2\(2\)](#)
- F64** Words in Sch. 2 para. 12(2) substituted (1.4.2011) by [Finance Act 2009 \(c. 10\), s. 99\(2\)](#), [Sch. 51 para. 20\(3\)\(b\)](#); [S.I. 2010/867, art. 2\(2\)](#)
- F65** Words in Sch. 2 para. 12(2) inserted (1.4.2011) by [Finance Act 2009 \(c. 10\), s. 99\(2\)](#), [Sch. 51 para. 20\(3\)\(c\)](#); [S.I. 2010/867, art. 2\(2\)](#)
- F66** Sch. 2 para. 12(3) added by [Finance Act 1976 \(c. 40\), s. 130\(3\)\(4\)](#)

Modifications etc. (not altering text)

- C11** See [Oil Taxation Act 1983 \(c. 56\), Sch. 5 para. 5\(3\)](#) in relation to transitional provisions introduced by s. 13 and Sch. 5 of that Act

[^{F67}12A(1) Where—

- (a) the Board has extended the period for the delivery of any return that is required under paragraph 2 of this Schedule to be delivered for any chargeable period, and
- (b) the relevant time falls more than one year after the end of the chargeable period,

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the period within which the Board may make an assessment under this Schedule for that chargeable period shall not expire before the end of the period of [^{F68}4 years] beginning with the relevant time.

- (2) In this paragraph “the relevant time” means the earlier of—
- (a) the time which, as a result of the extension, is the latest time for the delivery of the return; and
 - (b) the time when the return is delivered.]

Textual Amendments

- F67** Sch. 2 para. 12A inserted (27.7.1999 with application in relation to chargeable periods ending on or after 30.6.1999) by 1999 c. 16, s. 102(3)(8)
- F68** Words in Sch. 2 para. 12A(1) substituted (1.4.2011) by Finance Act 2009 (c. 10), s. 99(2), **Sch. 51 para. 21**; S.I. 2010/867, art. 2(2)

[^{F69}12B(1) In a case involving a relevant situation brought about carelessly by a participator (or a person acting on behalf of a participator), an assessment (or an amendment of an assessment) under this Schedule on the participator may be made at any time not more than 6 years after the end of the relevant chargeable period (subject to subparagraph (2) [^{F70}and (2A)]).

- (2) In a case involving a relevant situation brought about deliberately by a participator (or a person acting on behalf of a participator), an assessment (or an amendment of an assessment) on the participator may be made at any time not more than 20 years after the end of the relevant chargeable period.

[In a case involving a relevant situation brought about by arrangements which were ^{F71}(2A) expected to give rise to a tax advantage in respect of which a participator (or a person acting on behalf of a participator) was under an obligation to notify the Board under section 253 of the Finance Act 2014 (duty to notify Commissioners of promoter reference number) but failed to do so, an assessment (or an amendment of an assessment) on the participator may be made at any time not more than 20 years after the end of the relevant chargeable period.]

- (3) “Relevant situation” means a situation in which—
- (a) there is a loss of tax,
 - (b) the assessable profit charged to tax by or stated in an assessment for a chargeable period ought to be or to have been larger,
 - (c) the allowable loss stated in an assessment or a determination of loss for a chargeable period ought to be or to have been smaller, or
 - (d) an assessment to tax should have been made for a chargeable period but was not made.
- (4) “Relevant chargeable period” means—
- (a) in the case of a further assessment under paragraph 12(2), the chargeable period in which the excessive allowable loss accrued, and
 - (b) in any other case, the chargeable period to which the assessment relates.
- (5) Where the participator carried on a trade or business with one or more other persons at any time in the chargeable period for which the assessment under subparagraph (1)

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[^{F72}, (2) or (2A)] is made, an assessment to tax in respect of the profits of that trade or business may also be made on any of the participator's partners.

- (6) In determining the amount of the tax to be charged on a person for a chargeable period in an assessment in a case mentioned in sub-paragraph (1) [^{F73}, (2) or (2A)] (including an assessment under sub-paragraph (5)), effect must be given to any relief or allowance to which that person would have been entitled for that period if a valid claim or application had been made.
- (7) Sub-paragraph (6) only applies if the person on whom the assessment is made so requires.
- (8) Subsections (5) to (7) of section 118 of the Taxes Management Act 1970 (losses and situations brought about carelessly or deliberately) apply for the purposes of this paragraph as they apply for the purposes of that Act.
- (9) In subsection (6)(b) of that section (as it applies for the purposes of this paragraph), the reference to the person who provides the information has effect as if it included any person who becomes the responsible person for the oil field after the information is provided.]

Textual Amendments

- F69** Sch. 2 para. 12B inserted (1.4.2011) by [Finance Act 2009 \(c. 10\)](#), s. 99(2), **Sch. 51 para. 22**; S.I. 2010/867, art. 2(2)
- F70** Words in [Sch. 2 para. 12B\(1\)](#) inserted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), s. 277(2)(a) (with ss. 269-271)
- F71** [Sch. 2 para. 12B\(2A\)](#) inserted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), s. 277(2)(b) (with ss. 269-271)
- F72** Words in [Sch. 2 para. 12B\(5\)](#) substituted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), s. 277(2)(c) (with ss. 269-271)
- F73** Words in [Sch. 2 para. 12B\(6\)](#) substituted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), s. 277(2)(d) (with ss. 269-271)

Payment of tax

- 13 Subject to paragraph 14 below, the tax charged in an assessment made on a participator for any chargeable period [^{F74}and payable shall be due within six months] after the end of that chargeable period or, if later, thirty days after the date of issue of the notice of assessment; but no tax shall be payable by virtue of this paragraph before 30th April 1976.

Textual Amendments

- F74** Words substituted by [Finance Act 1982 \(c. 39\)](#), s. 139(6) and Sch. 19 para. 19 with respect to chargeable periods ending on or after 30 June 1983

Modifications etc. (not altering text)

- C12** See [Finance Act 1982 \(c. 39\)](#), s. 135(1)(b)
- C13** See [Finance Act 1982 \(c. 39\)](#), s. 142(5)

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F⁷⁵ Claim for relief for overpaid tax etc

Textual Amendments

F75 Sch. 2 paras. 13A-13F and cross-headings inserted (1.4.2011) by [Finance \(No. 3\) Act 2010 \(c. 33\), s. 28\(2\)](#), [Sch. 12 para. 10](#)

- 13A (1) This paragraph applies where—
- (a) a participator has paid an amount by way of tax but believes that the tax was not due, or
 - (b) a participator has been assessed as liable to pay an amount by way of tax but believes that the tax is not due.
- (2) The participator may make a claim to the Commissioners for Her Majesty's Revenue and Customs (“HMRC”) for repayment or discharge of the amount.
- (3) Paragraph 13B makes provision about cases in which HMRC are not liable to give effect to a claim under this paragraph.
- (4) Paragraphs 13C to 14I make further provision about making and giving effect to claims under this paragraph.
- (5) Paragraph 13F makes provision about the application of this paragraph and paragraphs 13B to 13E to amounts paid under contract settlements.
- (6) HMRC are not liable to give relief in respect of a case described in sub-paragraph (1) (a) or (b) except as provided—
- (a) by this Schedule (following a claim under this paragraph), or
 - (b) by or under another provision of the Oil Taxation Acts.
- (7) For the purposes of this paragraph and paragraphs 13B to 13F, an amount paid by one person on behalf of another is treated as paid by the other person.
- (8) In this paragraph and paragraphs 13B to 13F, “the Oil Taxation Acts” means—
- (a) Parts 1 and 3 of this Act,
 - (b) the Oil Taxation Act 1983, and
 - (c) any other enactment relating to petroleum revenue tax.

Cases in which HMRC not liable to give effect to a claim

- 13B (1) HMRC are not liable to give effect to a claim under paragraph 13A if or to the extent that the claim falls within a case described in this paragraph.
- (2) Case A is where the amount paid, or liable to be paid, is excessive by reason of—
- (a) a mistake in a claim, election or notice or a nomination under Schedule 10 to FA 1987, or
 - (b) a mistake consisting of making or giving, or failing to make or give, a claim, election or notice or a nomination under Schedule 10 to FA 1987.
- (3) Case B is where the participator—
- (a) has or could have sought relief by making a claim for expenditure to be allowed under section 3 or 4 (allowance of expenditure), or
 - (b) is or will be able to seek relief by taking other steps under the Oil Taxation Acts.

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- (4) Case C is where the participator—
- (a) could have sought relief by taking such steps within a period that has now expired, and
 - (b) knew, or ought reasonably to have known, before the end of that period that such relief was available.
- (5) Case D is where the claim is made on grounds that—
- (a) have been put to a court or tribunal in the course of an appeal by the participator relating to the amount paid or liable to be paid, or
 - (b) have been put to HMRC in the course of an appeal by the participator relating to that amount that is treated as having been determined by a tribunal (by virtue of paragraph 14(9) (settling of appeals by agreement)).
- (6) Case E is where the participator knew, or ought reasonably to have known, of the grounds for the claim before the latest of the following—
- (a) the date on which an appeal by the participator relating to the amount paid, or liable to be paid, in the course of which the ground could have been put forward (a “relevant appeal”) was determined by a court or tribunal (or is treated as having been so determined),
 - (b) the date on which the participator withdrew a relevant appeal to a court or tribunal, and
 - (c) the end of the period in which the participator was entitled to make a relevant appeal to a court or tribunal.
- (7) Case F is where the amount in question was paid or is liable to be paid—
- (a) in consequence of proceedings enforcing the payment of that amount brought against the participator by HMRC, or
 - (b) in accordance with an agreement between the participator and HMRC settling such proceedings.
- (8) Case G is where—
- (a) the amount paid, or liable to be paid, is excessive by reason of a mistake in calculating the participator's liability to tax, and
 - (b) liability was calculated in accordance with the practice generally prevailing at the time.
- [Case G does not apply where the amount paid, or liable to be paid, is tax which has^{F76}(9) been charged contrary to EU law.
- (10) For the purposes of sub-paragraph (9), an amount of tax is charged contrary to EU law if, in the circumstances in question, the charge to tax is contrary to—
- (a) the provisions relating to the free movement of goods, persons, services and capital in Titles II and IV of Part 3 of the Treaty on the Functioning of the European Union, or
 - (b) the provisions of any subsequent treaty replacing the provisions mentioned in paragraph (a).]

Textual Amendments

F76 Sch. 2 para. 13B(9)(10) inserted (with effect in accordance with s. 231(5) of the amending Act) by Finance Act 2013 (c. 29), s. 231(2)

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Making a claim

- 13C (1) A claim under paragraph 13A may not be made more than 4 years after the end of the relevant chargeable period.
- (2) In relation to a claim made in reliance on paragraph 13A(1)(a), the relevant chargeable period is—
- (a) where the amount paid, or liable to be paid, is excessive by reason of a mistake in a return or returns under paragraph 2 or 5, the chargeable period to which the return (or, if more than one, the first return) relates, and
 - (b) otherwise, the chargeable period in respect of which the amount was paid.
- (3) In relation to a claim made in reliance on paragraph 13A(1)(b), the relevant chargeable period is ^{F77}—
- (a) where the amount liable to be paid is excessive by reason of a mistake in a return or returns under paragraph 2 or 5, the chargeable period to which the return (or, if more than one, the first return) relates, and
 - (b) otherwise,] the chargeable period to which the assessment relates.
- (4) A claim under paragraph 13A must be in such form as the HMRC may prescribe.

Textual Amendments

F77 Words in Sch. 2 para. 13C(3) inserted (with effect in accordance with s. 232(4) of the amending Act) by [Finance Act 2013 \(c. 29\), s. 232\(2\)](#)

Decision on claim

- 13D HMRC must—
- (a) make a decision on the claim, and
 - (b) by notice inform the participator of their decision.

Assessment of claimant in connection with claim

- 13E (1) This paragraph applies where—
- (a) a claim is made under paragraph 13A,
 - (b) the grounds for giving effect to the claim also provide grounds for making an assessment or determination under paragraph 10 or 12, or an amendment of such an assessment or determination, on the participator in respect of any accounting period, and
 - (c) such an assessment, determination or amendment could be made but for the expiry of a time limit in paragraph 10(1A), 12(1A), 12A or 12B.
- (2) Where this paragraph applies—
- (a) the time limit does not apply, and
 - (b) the assessment, determination or amendment is not out of time if it is made before the final determination of the claim.
- (3) A claim is not finally determined until it, or the amount to which it relates, can no longer be varied (whether on appeal or otherwise).

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Contract settlements

- 13F (1) In paragraph 13A(1)(a) the reference to an amount paid by a participator by way of tax includes an amount paid by a person under a contract settlement in connection with tax believed to be due.
- (2) Sub-paragraphs (3) to (6) apply if the person who paid the amount under the contract settlement (“the payer”) and the person from whom the tax was due (“the taxpayer”) are not the same person.
- (3) In relation to a claim under paragraph 13A in respect of that amount—
- (a) the references to the participator in paragraph 13B(5) to (7) (Cases D, E and F) have effect as if they included the taxpayer,
 - (b) the reference to the participator in paragraph 13B(8) (Case G) has effect as if it were a reference to the taxpayer, and
 - (c) the reference to the participator in paragraph 13E(1)(b) has effect as if it were a reference to the taxpayer.
- (4) Sub-paragraph (5) applies where the grounds for giving effect to a claim by the payer in respect of the amount also provide grounds for making an assessment or determination under paragraph 10 or 12, or an amendment of such an assessment or determination, on the taxpayer in respect of any chargeable period.
- (5) HMRC may set any amount repayable to the payer by virtue of the claim against any amount payable by the taxpayer by virtue of the assessment, determination or amendment.
- (6) The obligations of HMRC and the taxpayer are discharged to the extent of any set-off under sub-paragraph (5).
- (7) “Contract settlement” means an agreement made in connection with any person's liability to make a payment to HMRC under or by virtue of an enactment.]

Appeals

- 14 (1) A participator may appeal ^{F78}... against an assessment or determination [^{F79}or an amendment of an assessment or determination] made on or in relation to him by notice of appeal in writing given to [^{F80}HMRC] within thirty days after the date of issue of the notice of assessment or determination [^{F79}or of the notice of the amendment].
- [^{F81}(1A) A participator who has made a claim under paragraph 13A may appeal from the decision on the claim by notice in writing given to HMRC within 30 days after the date of issue of the notice of the decision.]
- [^{F82}(2) The notice of appeal must specify the grounds of appeal.]
- (3) A participator who has given notice of appeal under sub-paragraph (1) above against an assessment charging him with any tax for a chargeable period may, if he delivered a return for that period as required by paragraph 2 above, withhold, until the determination or abandonment of the appeal, so much of the tax charged in the assessment as is the smaller of—
- (a) the amount of the tax so charged; and
 - (b) tax on the difference between—

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- (i) the aggregate of the consideration received or receivable for oil as stated in the participator's return in pursuance of sub-paragraph (2) of that paragraph and, subject to sub-paragraph (4) below, the market value of oil as so stated; and
 - (ii) the aggregate of the corresponding consideration and value as included in the assessment.
- (4) Subject to sub-paragraph (5) below, where the market value of all the oil for which a market value is stated in the participator's return is, as stated in that return, less than the value which is produced for that oil by applying to it the average price mentioned in sub-paragraph (6) below, sub-paragraph (3) above shall have effect as if, for the reference to the market value of oil as so stated, there were substituted a reference to the value which is so produced for that oil.
- (5) The comparison of values and the substitution required by sub-paragraph (4) above shall, in the case of an appeal by a participator whose return relates both to gas and to other oil, be made separately for the gas and for the other oil.
- (6) The average price referred to in sub-paragraph (4) above is the average price at which all oil included in the relevant returns as oil delivered in the period covered by the returns and disposed of in sales at arm's length was so disposed of.
- (7) The relevant returns for the purposes of sub-paragraph (6) above are all the returns of all the participators in all oil fields which—
- (a) were made for the chargeable period preceding that to which the appeal relates; and
 - (b) were delivered before the end of the chargeable period to which the appeal relates.
- (8) The participator may at any time, if [F83HMRC] do not object to his doing so, abandon an appeal instituted by him; and for this purpose he shall notify his desire to do so to [F83HMRC] who may, within thirty days after being so notified, object by notice in writing to the participator.
- (9) Where, at any time between—
- (a) the giving of a notice of appeal against the assessment [F84determination or amendment] or from a decision of [F85HMRC] on a claim under [F86paragraph 13A] , and
 - (b) the determination of the appeal by the [F87tribunal],
- [F85HMRC] and the participator agree [F84on how the assessment, determination, amendment or decision should be varied or on what assessment or determination should be substituted in relation to the chargeable period in question, the same consequences shall ensue as if the [F88tribunal] had determined the appeal to that effect].
- [F89(10) If [F90[F91an appeal under sub-paragraph (1)] is notified to the tribunal and] it appears to [F92the tribunal] that the assessment, determination or amendment is wrong—
- (a) because no, or a smaller, assessable profit or a, or a larger, allowable loss has accrued for the chargeable period in question; or
 - (b) because a, or a larger, assessable profit or no, or a smaller, allowable loss has accrued for that period,

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the [^{F93}tribunal] shall vary the assessment, determination or amendment in such manner, or substitute such assessment or determination, as may be required; and it shall be for the participator to satisfy the [^{F93}tribunal] as to any matter within paragraph (a) above.]

[^{F94}(10A) If an appeal under sub-paragraph (1A) is notified to the tribunal and it appears to the tribunal that the decision is wrong, the tribunal shall substitute such decision as may be required.]

[^{F95}(11) When an appeal is notified to the tribunal, the decision of the tribunal on the appeal is final and conclusive.

(12) But sub-paragraph (11) is subject to—

- (a) sections 9 to 14 of the Tribunals, Courts and Enforcement Act 2007,
- (b) Tribunal Procedure Rules, and
- (c) any provision of this Schedule.]

Textual Amendments

- F78** Words in Sch. 2 para. 14(1) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 74(2)(a)**
- F79** Words inserted by [Finance Act 1976 \(c. 40\)](#), **s. 130(3)(4)**
- F80** Word in Sch. 2 para. 14(1) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 74(2)(b)**
- F81** [Sch. 2 para. 14\(1A\)](#) inserted (1.4.2011) by [Finance \(No. 3\) Act 2010 \(c. 33\)](#), s. 28(2), **Sch. 12 para. 11(2)**
- F82** [Sch. 2 para. 14\(2\)](#) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 74(3)**
- F83** Words in [Sch. 2 para. 14\(8\)](#) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 74(4)**
- F84** Words substituted by [Finance Act 1976 \(c. 40\)](#), **s. 130(5)**
- F85** Words in [Sch. 2 para. 14\(9\)](#) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 74(5)(a)**
- F86** Words in [Sch. 2 para. 14\(9\)](#) substituted (1.4.2011) by [Finance \(No. 3\) Act 2010 \(c. 33\)](#), s. 28(2), **Sch. 12 para. 11(3)**
- F87** Word in [Sch. 2 para. 14\(9\)](#) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 74(5)(b)**
- F88** Word in [Sch. 2 para. 14\(9\)](#) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 74(5)(c)**
- F89** [Sch. 2 para. 14\(10\)](#) substituted by [Finance Act 1976 \(c. 40\)](#), **s. 130(6)**
- F90** Words in [Sch. 2 para. 14\(10\)](#) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 74(6)(a)**
- F91** Words in [Sch. 2 para. 14\(10\)](#) substituted (1.4.2011) by [Finance \(No. 3\) Act 2010 \(c. 33\)](#), s. 28(2), **Sch. 12 para. 11(4)**
- F92** Words in [Sch. 2 para. 14\(10\)](#) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 74(6)(b)**
- F93** Word in [Sch. 2 para. 14\(10\)](#) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 74(6)(c)**
- F94** [Sch. 2 para. 14\(10A\)](#) inserted (1.4.2011) by [Finance \(No. 3\) Act 2010 \(c. 33\)](#), s. 28(2), **Sch. 12 para. 11(5)**
- F95** [Sch. 2 para. 14\(11\)\(12\)](#) substituted for [Sch. 2 para. 14\(11\)](#) (1.4.2009) by [The Revenue and Customs Appeals Order 2009 \(S.I. 2009/777\)](#), arts. 1, 2

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Modifications etc. (not altering text)

- C14** See Finance Act 1982 (c. 39), s. 142(5)
- C15** See Finance Act 1982 (c. 39), Sch. 19 para. 7(2)
- C16** Sch. 2 para. 14(2)(8)(11) applied (with modifications) by Finance Act 1994 (c. 9), Sch. 22 para. 4(5) (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), Sch. 1 para. 211(5))
- C17** Sch. 2 para. 14(2)(8)(11) applied (with modifications) by Finance Act 1987 (c. 16), s. 66(8) (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), Sch. 1 para. 129(4))
- C18** Sch. 2 para. 14(2)(8)(11) applied (with modifications) by Finance Act 1987 (c. 16), Sch. 12 para. 3(2) (d) (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), Sch. 1 para. 130(5))
- C19** See also Petroleum Revenue Tax Act 1980 (c. 1, SIF 63:1), s. 1(5) in relation to chargeable periods ending on or after 31 December 1979

F⁹⁶ Appeal: HMRC review or determination by tribunal

Textual Amendments

- F96** Sch. 2 paras. 14A-14I and cross-headings inserted (1.4.2009) by The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56), art. 1(2), Sch. 1 para. 75

- 14A (1) This paragraph applies if notice of appeal has been given to HMRC.
- (2) In such a case—
- (a) the participator may notify HMRC that the participator requires HMRC to review the matter in question (see paragraph 14B),
 - (b) HMRC may notify the participator of an offer to review the matter in question (see paragraph 14C), or
 - (c) the participator may notify the appeal to the tribunal (see paragraph 14D).
- (3) See paragraphs 14G and 14H for provision about notifying appeals to the tribunal after a review has been required by the participator or offered by HMRC.
- (4) This paragraph does not prevent the matter in question from being dealt with in accordance with paragraph 14(9).

Modifications etc. (not altering text)

- C20** Sch. 2 paras. 14A-14I applied (with modifications) by Oil Taxation (Gas Banking Scheme) Regulations 1982 (S.I. 1982/92), reg. 7(5) (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), Sch. 2 para. 8(4))
- C21** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1994 (c. 9), Sch. 22 para. 8(9) (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), Sch. 1 para. 213(5))
- C22** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1994 (c. 9), Sch. 22 para. 4(5) (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), Sch. 1 para. 211(5))
- C23** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1993 (c. 34), Sch. 20A para. 11(3) (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), Sch. 1 para. 194(3))
- C24** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), Sch. 12 para. 3(2)(d) (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), Sch. 1 para. 130(5))
- C25** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), s. 66(8) (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), Sch. 1 para. 129(4))
- C26** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1984 (c. 43), s. 115(6A) (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), Sch. 1 para. 104(3))

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- C27** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 19 para. 7(2)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 102(3)(a)**)
- C28** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 18 para. 8(5)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 101(5)(a)**)
- C29** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1980 (c. 48), **Sch. 17 para. 5(6)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 95(5)**)

Participant requires review by HMRC

- 14B (1) Sub-paragraphs (2) and (3) apply if the participant notifies HMRC that the participant requires HMRC to review the matter in question.
- (2) HMRC must, within the relevant period, notify the participant of HMRC's view of the matter in question.
- (3) HMRC must review the matter in question in accordance with paragraph 14E.
- (4) The participant may not notify HMRC that the participant requires HMRC to review the matter in question and HMRC shall not be required to conduct a review if—
- (a) the participant has already given a notification under this paragraph in relation to the matter in question,
- (b) HMRC have given a notification under paragraph 14C in relation to the matter in question, or
- (c) the participant has notified the appeal to the tribunal under paragraph 14D.
- (5) In this paragraph “relevant period” means—
- (a) the period of 30 days beginning with the day on which HMRC receive the notification from the participant, or
- (b) such longer period as is reasonable.

Modifications etc. (not altering text)

- C20** Sch. 2 paras. 14A-14I applied (with modifications) by Oil Taxation (Gas Banking Scheme) Regulations 1982 (S.I. 1982/92), **reg. 7(5)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 2 para. 8(4)**)
- C21** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1994 (c. 9), **Sch. 22 para. 8(9)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 213(5)**)
- C22** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1994 (c. 9), Sch. 22 para. 4(5) (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 211(5)**)
- C23** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1993 (c. 34), **Sch. 20A para. 11(3)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 194(3)**)
- C24** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), **Sch. 12 para. 3(2)(d)** (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 130(5)**)
- C25** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), **s. 66(8)** (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 129(4)**)
- C26** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1984 (c. 43), **s. 115(6A)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 104(3)**)
- C27** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 19 para. 7(2)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 102(3)(a)**)
- C28** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 18 para. 8(5)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 101(5)(a)**)

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C29 Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1980 (c. 48), **Sch. 17 para. 5(6)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 95(5)**)

HMRC offer review

- 14C (1) Sub-paragraphs (2) to (5) apply if HMRC notify the participator of an offer to review the matter in question.
- (2) When HMRC notify the participator of the offer, HMRC must also notify the participator of HMRC's view of the matter in question.
- (3) If, within the acceptance period, the participator notifies HMRC of acceptance of the offer, HMRC must review the matter in question in accordance with paragraph 14E.
- (4) If the participator does not give HMRC such a notification within the acceptance period, HMRC's view of the matter in question is to be treated as if it were contained in an agreement in writing under paragraph 14(9) for the settlement of that matter.
- (5) Sub-paragraph (4) does not apply to the matter in question if, or to the extent that, the participator notifies the appeal to the tribunal under paragraph 14H.
- (6) HMRC may not notify the participator of an offer to review the matter in question (and, accordingly, HMRC shall not be required to conduct a review) if—
- (a) HMRC have already given a notification under this paragraph in relation to the matter in question,
 - (b) the participator has given a notification under paragraph 14B in relation to the matter in question, or
 - (c) the participator has notified the appeal to the tribunal under paragraph 14D.
- (7) In this paragraph “acceptance period” means the period of 30 days beginning with the date of the document by which HMRC notify the participator of the offer to review the matter in question.

Modifications etc. (not altering text)

- C20** Sch. 2 paras. 14A-14I applied (with modifications) by Oil Taxation (Gas Banking Scheme) Regulations 1982 (S.I. 1982/92), **reg. 7(5)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 2 para. 8(4)**)
- C21** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1994 (c. 9), **Sch. 22 para. 8(9)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 213(5)**)
- C22** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1994 (c. 9), Sch. 22 para. 4(5) (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 211(5)**)
- C23** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1993 (c. 34), **Sch. 20A para. 11(3)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 194(3)**)
- C24** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), **Sch. 12 para. 3(2)(d)** (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 130(5)**)
- C25** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), **s. 66(8)** (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 129(4)**)
- C26** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1984 (c. 43), **s. 115(6A)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 104(3)**)
- C27** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 19 para. 7(2)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 102(3)(a)**)
- C28** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 18 para. 8(5)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 101(5)(a)**)

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C29 Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1980 (c. 48), **Sch. 17 para. 5(6)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 95(5)**)

Notifying appeal to the tribunal

- 14D (1) This paragraph applies if notice of appeal has been given to HMRC.
- (2) The participator may notify the appeal to the tribunal.
- (3) If the participator notifies the appeal to the tribunal, the tribunal is to decide the matter in question.
- (4) Sub-paragraphs (2) and (3) do not apply in a case where—
- (a) HMRC have given a notification of their view of the matter in question under paragraph 14B, or
 - (b) HMRC have given a notification under paragraph 14C in relation to the matter in question.
- (5) In a case falling within sub-paragraph (4)(a) or (b), the participator may notify the appeal to the tribunal, but only if permitted to do so by paragraph 14G or 14H.

Modifications etc. (not altering text)

- C20** Sch. 2 paras. 14A-14I applied (with modifications) by Oil Taxation (Gas Banking Scheme) Regulations 1982 (S.I. 1982/92), **reg. 7(5)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 2 para. 8(4)**)
- C21** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1994 (c. 9), **Sch. 22 para. 8(9)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 213(5)**)
- C22** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1994 (c. 9), Sch. 22 para. 4(5) (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 211(5)**)
- C23** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1993 (c. 34), **Sch. 20A para. 11(3)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 194(3)**)
- C24** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), **Sch. 12 para. 3(2)(d)** (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 130(5)**)
- C25** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), **s. 66(8)** (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 129(4)**)
- C26** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1984 (c. 43), **s. 115(6A)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 104(3)**)
- C27** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 19 para. 7(2)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 102(3)(a)**)
- C28** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 18 para. 8(5)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 101(5)(a)**)
- C29** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1980 (c. 48), **Sch. 17 para. 5(6)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 95(5)**)

Nature of review etc

- 14E (1) This paragraph applies if HMRC are required by paragraph 14B or 14C to review the matter in question.
- (2) The nature and extent of the review are to be such as appear appropriate to HMRC in the circumstances.

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- (3) For the purpose of sub-paragraph (2), HMRC must, in particular, have regard to steps taken before the beginning of the review—
- (a) by HMRC in deciding the matter in question, and
 - (b) by any person in seeking to resolve disagreement about the matter in question.
- (4) The review must take account of any representations made by the participator at a stage which gives HMRC a reasonable opportunity to consider them.
- (5) The review may conclude that HMRC’s view of the matter in question is to be—
- (a) upheld,
 - (b) varied, or
 - (c) cancelled.
- (6) HMRC must notify the participator of the conclusions of the review and their reasoning within—
- (a) the period of 45 days beginning with the relevant day, or
 - (b) such other period as may be agreed.
- (7) In sub-paragraph (6) “relevant day” means—
- (a) in a case where the participator required the review, the day when HMRC notified the participator of HMRC’s view of the matter in question,
 - (b) in a case where HMRC offered the review, the day when HMRC received notification of the participator’s acceptance of the offer.
- (8) Where HMRC are required to undertake a review but do not give notice of the conclusions within the time period specified in sub-paragraph (6), the review is to be treated as having concluded that HMRC’s view of the matter in question (see paragraphs 14B(2) and 14C(2)) is upheld.
- (9) If sub-paragraph (8) applies, HMRC must notify the participator of the conclusion which the review is treated as having reached.

Modifications etc. (not altering text)

- C20** Sch. 2 paras. 14A-14I applied (with modifications) by [Oil Taxation \(Gas Banking Scheme\) Regulations 1982 \(S.I. 1982/92\)](#), [reg. 7\(5\)](#) (as inserted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 2 para. 8\(4\)](#))
- C21** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1994 \(c. 9\)](#), [Sch. 22 para. 8\(9\)](#) (as inserted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 213\(5\)](#))
- C22** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1994 \(c. 9\)](#), Sch. 22 para. 4(5) (as substituted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 211\(5\)](#))
- C23** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1993 \(c. 34\)](#), [Sch. 20A para. 11\(3\)](#) (as inserted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 194\(3\)](#))
- C24** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1987 \(c. 16\)](#), [Sch. 12 para. 3\(2\)\(d\)](#) (as substituted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 130\(5\)](#))
- C25** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1987 \(c. 16\)](#), [s. 66\(8\)](#) (as substituted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 129\(4\)](#))
- C26** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1984 \(c. 43\)](#), [s. 115\(6A\)](#) (as inserted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 104\(3\)](#))
- C27** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1982 \(c. 39\)](#), [Sch. 19 para. 7\(2\)](#) (as amended (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 102\(3\)\(a\)](#))

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- C28** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 18 para. 8(5)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 101(5)(a)**)
- C29** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1980 (c. 48), **Sch. 17 para. 5(6)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 95(5)**)

Effect of conclusions of review

- 14F (1) This paragraph applies if HMRC give notice of the conclusions of a review (see paragraph 14E(6) and (9)).
- (2) The conclusions are to be treated as if they were an agreement in writing under paragraph 14(9) for the settlement of the matter in question.
- (3) Sub-paragraph (2) does not apply to the matter in question if, or to the extent that, the participator notifies the appeal to the tribunal under paragraph 14G.

Modifications etc. (not altering text)

- C20** Sch. 2 paras. 14A-14I applied (with modifications) by Oil Taxation (Gas Banking Scheme) Regulations 1982 (S.I. 1982/92), **reg. 7(5)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 2 para. 8(4)**)
- C21** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1994 (c. 9), **Sch. 22 para. 8(9)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 213(5)**)
- C22** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1994 (c. 9), Sch. 22 para. 4(5) (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 211(5)**)
- C23** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1993 (c. 34), **Sch. 20A para. 11(3)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 194(3)**)
- C24** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), **Sch. 12 para. 3(2)(d)** (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 130(5)**)
- C25** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), **s. 66(8)** (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 129(4)**)
- C26** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1984 (c. 43), **s. 115(6A)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 104(3)**)
- C27** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 19 para. 7(2)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 102(3)(a)**)
- C28** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 18 para. 8(5)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 101(5)(a)**)
- C29** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1980 (c. 48), **Sch. 17 para. 5(6)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 95(5)**)

Notifying appeal to tribunal after review concluded

- 14G (1) This paragraph applies if—
- (a) HMRC have given notice of the conclusions of a review in accordance with paragraph 14E, or
- (b) the period specified in paragraph 14E(6) has ended and HMRC have not given notice of the conclusions of the review.
- (2) The participator may notify the appeal to the tribunal within the post-review period.
- (3) If the post-review period has ended, the participator may notify the appeal to the tribunal only if the tribunal gives permission.

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- (4) If the participator notifies the appeal to the tribunal, the tribunal is to determine the matter in question.
- (5) In this paragraph “post-review period” means—
- (a) in a case falling within sub-paragraph (1)(a), the period of 30 days beginning with the date of the document in which HMRC give notice of the conclusions of the review in accordance with paragraph 14E(6), or
 - (b) in a case falling within sub-paragraph (1)(b), the period that—
 - (i) begins with the day following the last day of the period specified in paragraph 14E(6), and
 - (ii) ends 30 days after the date of the document in which HMRC give notice of the conclusion of the review in accordance with paragraph 14E(9).

Modifications etc. (not altering text)

- C20** Sch. 2 paras. 14A-14I applied (with modifications) by Oil Taxation (Gas Banking Scheme) Regulations 1982 (S.I. 1982/92), **reg. 7(5)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 2 para. 8(4)**)
- C21** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1994 (c. 9), **Sch. 22 para. 8(9)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 213(5)**)
- C22** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1994 (c. 9), Sch. 22 para. 4(5) (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 211(5)**)
- C23** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1993 (c. 34), **Sch. 20A para. 11(3)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 194(3)**)
- C24** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), **Sch. 12 para. 3(2)(d)** (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 130(5)**)
- C25** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), **s. 66(8)** (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 129(4)**)
- C26** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1984 (c. 43), **s. 115(6A)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 104(3)**)
- C27** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 19 para. 7(2)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 102(3)(a)**)
- C28** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 18 para. 8(5)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 101(5)(a)**)
- C29** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1980 (c. 48), **Sch. 17 para. 5(6)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 95(5)**)

Notifying appeal to tribunal after review offered but not accepted

- 14H (1) This paragraph applies if—
- (a) HMRC have offered to review the matter in question (see paragraph 14C), and
 - (b) the participator has not accepted the offer.
- (2) The participator may notify the appeal to the tribunal within the acceptance period.
- (3) But if the acceptance period has ended, the participator may notify the appeal to the tribunal only if the tribunal gives permission.
- (4) If the participator notifies the appeal to the tribunal, the tribunal is to determine the matter in question.

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(5) In this paragraph “acceptance period” has the same meaning as in paragraph 14C.

Modifications etc. (not altering text)

- C20** Sch. 2 paras. 14A-14I applied (with modifications) by [Oil Taxation \(Gas Banking Scheme\) Regulations 1982 \(S.I. 1982/92\)](#), [reg. 7\(5\)](#) (as inserted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 2 para. 8\(4\)](#))
- C21** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1994 \(c. 9\)](#), [Sch. 22 para. 8\(9\)](#) (as inserted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 213\(5\)](#))
- C22** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1994 \(c. 9\)](#). Sch. 22 para. 4(5) (as substituted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 211\(5\)](#))
- C23** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1993 \(c. 34\)](#), [Sch. 20A para. 11\(3\)](#) (as inserted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 194\(3\)](#))
- C24** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1987 \(c. 16\)](#), [Sch. 12 para. 3\(2\)\(d\)](#) (as substituted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 130\(5\)](#))
- C25** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1987 \(c. 16\)](#), [s. 66\(8\)](#) (as substituted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 129\(4\)](#))
- C26** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1984 \(c. 43\)](#), [s. 115\(6A\)](#) (as inserted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 104\(3\)](#))
- C27** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1982 \(c. 39\)](#), [Sch. 19 para. 7\(2\)](#) (as amended (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 102\(3\)\(a\)](#))
- C28** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1982 \(c. 39\)](#), [Sch. 18 para. 8\(5\)](#) (as amended (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 101\(5\)\(a\)](#))
- C29** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1980 \(c. 48\)](#), [Sch. 17 para. 5\(6\)](#) (as inserted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 95\(5\)](#))

Interpretation of paragraphs 14A to 14H

- 14I (1) In paragraphs 14A to 14H—
- (a) “matter in question” means the matter to which an appeal relates;
 - (b) a reference to a notification is a reference to a notification in writing.
- (2) In paragraphs 14A to 14H, a reference to the participator includes a person acting on behalf of the participator except in relation to—
- (a) notification of HMRC’s view under paragraph 14B(2);
 - (b) notification by HMRC of an offer of review (and of their view of the matter) under paragraph 14C;
 - (c) notification of the conclusions of a review under paragraph 14E(6); and
 - (d) notification of the conclusions of a review under paragraph 14E(9).
- (3) But if a notification falling within sub-paragraph (2) is given to the participator, a copy of the notification may also be given to a person acting on behalf of the participator.]

Modifications etc. (not altering text)

- C20** Sch. 2 paras. 14A-14I applied (with modifications) by [Oil Taxation \(Gas Banking Scheme\) Regulations 1982 \(S.I. 1982/92\)](#), [reg. 7\(5\)](#) (as inserted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 2 para. 8\(4\)](#))
- C21** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1994 \(c. 9\)](#), [Sch. 22 para. 8\(9\)](#) (as inserted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 213\(5\)](#))
- C22** Sch. 2 paras. 14A-14I applied (with modifications) by [Finance Act 1994 \(c. 9\)](#). Sch. 22 para. 4(5) (as substituted (1.4.2009) by [S.I. 2009/56](#), art. 1(2), [Sch. 1 para. 211\(5\)](#))

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- C23** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1993 (c. 34), **Sch. 20A para. 11(3)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 194(3)**)
- C24** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), **Sch. 12 para. 3(2)(d)** (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 130(5)**)
- C25** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1987 (c. 16), **s. 66(8)** (as substituted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 129(4)**)
- C26** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1984 (c. 43), **s. 115(6A)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 104(3)**)
- C27** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 19 para. 7(2)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 102(3)(a)**)
- C28** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1982 (c. 39), **Sch. 18 para. 8(5)** (as amended (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 101(5)(a)**)
- C29** Sch. 2 paras. 14A-14I applied (with modifications) by Finance Act 1980 (c. 48), **Sch. 17 para. 5(6)** (as inserted (1.4.2009) by S.I. 2009/56, art. 1(2), **Sch. 1 para. 95(5)**)

Interest on tax

- 15 (1) Subject to sub-paragraph (2) below, tax charged in an assessment for a chargeable period shall carry interest at the [^{F97}rate applicable under section 178 of the Finance Act 1989] from [^{F98}two months] after the end of the period until payment.
- (2) Nothing in sub-paragraph (1) above shall authorise or require interest to be charged from any time before 30th April 1976.
- (3) Where, under paragraph 14(3) above, tax may be withheld until the determination or abandonment of an appeal, the interest on that tax may also be withheld until the determination or abandonment of the appeal.

Textual Amendments

- F97** Words substituted by Finance Act 1989 (c. 26), **s. 179(1)(4)** and S.I. 1989 No. 1298 (C. 44) for periods beginning on or after 18 August 1989
- F98** Words substituted by Petroleum Revenue Tax Act 1980 (c. 1, SIF 63:1), **s. 2** in relation to tax charged for any period ending on or after 31 December 1979

Modifications etc. (not altering text)

- C30** See Finance Act 1982 (c. 39), **ss. 139(6), 142(5)** and Sch. 19 para. 13(4)
- C31** Rates applicable: 12 per cent. for periods after 31 December 1979 by S.I. 1979 No. 1687; 8 per cent. after 30 November 1982 by S.I. 1982 No. 1587; 11 per cent. after 30 April 1985 by S.I. 1985 No. 563; 8.5 per cent. after 5 August 1986 by S.I. 1986 No. 1181; 9.5 per cent. after 5 November 1986 by S.I. 1986 No. 1832; 9 per cent. after 5 April 1987 by S.I. 1987 No. 513; 8.25 per cent. after 5 June 1987 by S.I. 1987 No. 898; 9 per cent. after 5 September 1987 by S.I. 1987 No. 1492; and 8.25 per cent. after 5 December 1987 by S.I. 1987 No. 1988 (for later orders see Part III). See also S.I. 1989 No. 1297 for regulations made and interest rates set under Finance Act 1989 (c. 26), **s. 178**

- 16 [^{F99}Subject to paragraph 17 below] where any amount of tax charged by an assessment to tax [^{F100}or paid on account of tax so charged] becomes repayable under any provision of this Part of this Act that amount shall carry interest at the [^{F101}rate applicable under section 178 of the Finance Act 1989][^{F102}from—
- (a) two months after the end of the chargeable period for which the assessment was made; or

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(b) the date on which it was paid,
whichever is the later, until [^{F103}the order for repayment is issued]].

Textual Amendments

- F99** Words inserted by [Finance Act 1990 \(c. 29, SIF 63:1\)](#), **s. 121(2)**
- F100** Words inserted by [Petroleum Revenue Tax Act 1980 \(c. 1, SIF 63:1\)](#), **s. 2** in relation to tax charged for any period ending on or after 31 December 1979
- F101** Words substituted by [Finance Act 1989 \(c. 26\)](#), **s. 179(1)(4)** and S.I. 1989 No. 1298 (C. 44) for periods beginning on or after 18 August 1989
- F102** Words substituted by [Petroleum Revenue Tax Act 1980 \(c. 1, SIF 63:1\)](#), **s. 2** in relation to tax charged for any period ending on or after 31 December 1979
- F103** Words substituted by [Finance Act 1989 \(c. 26\)](#), **s. 180(2)(a)** and (7) which amendment is deemed always to have had effect

Modifications etc. (not altering text)

- C32** Rates applicable: 12 per cent. for periods after 31 December 1979 by S.I. 1979 No. 1687; 8 per cent. after 30 November 1982 by S.I. 1982 No. 1587; 11 per cent. after 30 April 1985 by S.I. 1985 No. 563; 8.5 per cent. after 5 August 1986 by S.I. 1986 No. 1181; 9.5 per cent. after 5 November 1986 by S.I. 1986 No. 1832; 9 per cent. after 5 April 1987 by S.I. 1987 No. 513; 8.25 per cent. after 5 June 1987 by S.I. 1987 No. 898; 9 per cent. after 5 September 1987 by S.I. 1987 No. 1492; and 8.25 per cent. after 5 December 1987 by S.I. 1987 No. 1988 (for later orders see Part III). See also S.I. 1989 No. 1297 for regulations made and interest rates set under [Finance Act 1989 \(c. 26\)](#), **s. 178**
- C33** By [Petroleum Revenue Tax Act 1980 \(c. 1, SIF 63:1\)](#), **s. 2(3)** any alteration in the rate mentioned in Sch. 2 para. 15(1) to apply also to Sch. 2 para. 16
- C34** See [Finance Act 1982 \(c. 39\)](#), **s. 139(6)** and Sch. 19 para. 13(5) in respect of repayments due in respect of the chargeable period ending on 30 June 1983

[^{F104}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” [^{F105} 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

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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) [^{F106}Subject to sub-paragraph (6) below] Where this paragraph applies, the amount of interest which, by virtue of paragraph 16 above [^{F107}which is treated as reducing the assessable profit of the repayment period], is carried by the appropriate repayment shall not exceed the difference between—

- (a) [^{F108}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—

- ^{F109}(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 ^{F110}....

(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 ^{M4}Finance Act 1982.]]

Textual Amendments

F104 Sch. 2 para. 17 inserted by [Finance Act 1990 \(c. 29, SIF 63:1\)](#), **s. 121(2)(3)**

F105 Words in Sch. 2 para. 17(2) added (27.7.1993) by [1993 c. 34, ss. 186\(2\)](#), 195(3)

F106 Words in Sch. 2 para. 17(4) inserted (27.7.1993) by [1993 c. 34, ss. 186\(3\)\(a\)](#), 195(3)

F107 Words in Sch. 2 para. 17(4)(a) inserted (27.7.1993) by [1993 c. 34, ss. 186\(3\)\(b\)](#), 195(3)

F108 Words in Sch. 2 para. 17(4)(a) substituted (27.7.1993) by [1993 c. 34, ss. 186\(3\)\(b\)](#), 195(3)

F109 Sch. 2 para. 17(5)-(7) added (27.7.1993) by [1993 c. 34, ss. 186\(4\)](#), 195(3)

F110 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

M4 [1982 c. 39](#).

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SCHEDULE 3

Section 1.

PETROLEUM REVENUE TAX: MISCELLANEOUS PROVISIONS

Definition of sale of oil at arm's length

- 1 (1) For the purposes of this Part of this Act a sale of any oil is a sale at arm's length if, but only if, the following conditions are satisfied with respect to the contract of sale, that is to say—
- (a) the contract price is the sole consideration for the sale;
 - (b) the terms of the sale are not affected by any commercial relationship (other than that created by the contract itself) between the seller or any person connected with the seller and the buyer or any person connected with the buyer; and
 - (c) neither the seller nor any person connected with him has, directly or indirectly, any interest in the subsequent resale or disposal of the oil or any product derived therefrom.
- (2) [^{F111}Section 1122 of CTA 2010] (connected persons) shall apply for the purposes of the preceding sub-paragraph.

Textual Amendments

F111 Words in Sch. 3 para. 1(2) substituted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 1 para. 165\(2\)](#) (with [Sch. 2](#))

Modifications etc. (not altering text)

C35 Definition applied for purposes of [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. [493\(3\)](#)

[^{F112}Determination of market value: the notional delivery day for a quantity of oil

Textual Amendments

F112 Sch. 3 para. 1A and cross-heading inserted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), s. [146\(1\)](#)

- 1A (1) This paragraph has effect for determining, for the purposes of this Schedule, the day which is the “notional delivery day” in the case of any particular quantity of oil of any particular kind whose market value falls to be determined in accordance with the provisions of this Schedule in the case of any chargeable period.
- (2) The notional delivery day need not be a day in the chargeable period.
- (3) In the case of a quantity of oil which, at the end of the chargeable period,—
- (a) has neither been disposed of nor relevantly appropriated in the period, or
 - (b) has been disposed of but not delivered in the period,
- the notional delivery day is the last business day of the chargeable period.
- (4) In the case of—
- (a) a quantity of oil won and disposed of which is delivered on a day in the chargeable period, or

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- (b) a quantity of oil—
 - (i) relevantly appropriated on a day in the chargeable period, but
 - (ii) not disposed of in the chargeable period,
 the notional delivery day is to be determined in accordance with sub-paragraphs (5) to (7) below.
- (5) If that oil is—
 - (a) oil transported by ship from the place of extraction to a place in the United Kingdom or elsewhere, or
 - (b) oil transported by pipeline to a place in the United Kingdom and loaded on to a ship there,
 and there is a loading slot for it (see sub-paragraph (8)), the notional delivery day is the middle day of the loading slot.
- (6) If sub-paragraph (5) above does not apply to that oil, then—
 - (a) if it is oil delivered on a day in the chargeable period, the notional delivery day is the date of the delivery, or
 - (b) if it is oil relevantly appropriated on a day in the chargeable period, the notional delivery day is the date of the appropriation.
- (7) The Treasury may by regulations make provision for or in connection with substituting as the notional delivery day in such circumstances as may be prescribed—
 - (a) in the case of oil transported by ship from the place of extraction to a place in the United Kingdom or elsewhere, the date of completion of load, or
 - (b) in the case of oil transported by pipeline to a place in the United Kingdom and loaded on to a ship there, the date of the bill of lading.
- (8) The “loading slot” for any oil is the period of three days within which the loading of the oil on to the ship is or was to take place—
 - (a) as duly published by the operator of the facility at which that loading is or was to take place (unless paragraph (b) below applies), or
 - (b) as subsequently finally duly varied to give effect to any modifications duly notified to that operator by the participator concerned.
- (9) In sub-paragraph (8) above, “duly” means in accordance with the arrangements for the time being governing the time and manner of—
 - (a) publication, or variation, of the final loading schedule for the calendar month in which loading is or was to take place, or
 - (b) notification of modifications to that schedule,
 and, in any case, before the end of the calendar month immediately preceding that in which loading is to take place.
- (10) If the Treasury consider that, for the purpose of defining “loading slot”, any period of days for the time being specified by or under this Act as the period of days within which loading of oil on to a ship is to take place is, or is to be, no longer appropriate, they may by regulations make provision for, or in connection with,—
 - (a) varying the number of days in the period,
 - (b) determining the day that is to be the notional delivery day if the number, as varied, is an even number.

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The power conferred by this sub-paragraph includes power to make amendments to, or modifications of, this Schedule.]

Definition of market value of oil

2 [F113(1) [F114Except in the case of light gases] the market value of [F115any particular quantity of oil of any kind on any day] shall be determined for the purposes of this Part of this Act in accordance with this paragraph [and, accordingly, references in the following provisions of this paragraph to oil do not apply to light gases].]

[F116(1A) This paragraph makes different provision according to whether the oil is—

- (a) Category 1 oil of any kind, or
- (b) Category 2 oil of any kind.

(1B) For the purposes of this Act—

- (a) Category 1 oil is oil of any of one or more kinds specified as such in regulations made for the purpose by the Board;
- (b) Category 2 oil is oil of any other kind.

(1C) The Board may specify oil of any particular kind as Category 1 oil only if they are satisfied that reports of prices for sales of oil of that kind are published and widely available (whether or not on payment of a fee).]

[F117(2) The market value of any particular quantity of Category 1 oil of any kind is the price for which that quantity of oil of that kind might reasonably have been expected to be sold under a contract of sale that meets the following conditions—

- (a) the contract is for the sale of the oil at arm's length to a willing buyer;
- (b) the contract is for delivery of a single standard cargo of the oil;
- (c) the contract specifies a period of three days within which loading of the oil is to take place and that period includes the notional delivery day for the actual oil;
- (d) the contract requires the oil to have been subjected to appropriate initial treatment before delivery;
- (e) the contract requires the oil to be delivered—
 - (i) in the case of oil extracted in the United Kingdom, at the place of extraction; or
 - (ii) in the case of oil extracted from strata in the sea bed and subsoil of the territorial sea of the United Kingdom or of a designated area, at the place in the United Kingdom or another country at which the seller could reasonably be expected to deliver it or, if there is more than one such place, the one nearest to the place of extraction.

The terms as to payment which are to be implied in the contract are those which are customarily contained in contracts for the sale at arm's length of oil of the kind in question.

(2AA) The market value of any particular quantity of Category 2 oil of any kind is the price for which that quantity of oil of that kind might reasonably have been expected to be sold under a contract of sale that meets the following conditions—

- (a) the contract is for the sale of the oil at arm's length to a willing buyer;
- (b) the contract provides for delivery of the oil on the notional delivery day for the actual oil or within such period that includes that day as is normal under

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- a contract at arm's length for the sale of oil of that kind (or, if there is more than one such period, the shortest of them);
- (c) the contract is made on a date such that the period between that date and the notional delivery day for the actual oil is the normal period between contract and delivery in the case of a contract at arm's length for the sale of oil of that kind (or, if there is more than one such period, the shortest of them);
 - (d) the contract requires the oil to have been subjected to appropriate initial treatment before delivery;
 - (e) the contract requires the oil to be delivered—
 - (i) in the case of oil extracted in the United Kingdom, at the place of extraction; or
 - (ii) in the case of oil extracted from strata in the sea bed and subsoil of the territorial sea of the United Kingdom or of a designated area, at the place in the United Kingdom or another country at which the seller could reasonably be expected to deliver it or, if there is more than one such place, the one nearest to the place of extraction.

The terms as to payment which are to be implied in the contract are those which are customarily contained in contracts for the sale at arm's length of oil of the kind in question.]

[^{F118}(2E) For the purposes of sub-paragraph (2) or (2AA) above, the price of any quantity of Category 1 or Category 2 oil of any kind shall be determined in such manner, on the basis of such information, and by reference to such factors, as may be prescribed for oil of that Category and kind in regulations made by the Board.

- (2F) The provision that may be made by regulations under subsection (2E) above includes provision for or in connection with any or all of the following—
- (a) determining the price by reference to prices, or an average of prices, for sales of oil (whether or not oil of the Category or kind in question, and whether the prices are prices under actual contracts, prices that are published and widely available (whether on payment of a fee or otherwise) or prices ascertained or determined in some other way);
 - (b) the prices to be taken into account;
 - (c) the descriptions of contracts to be taken into account;
 - (d) the method to be used for determining an average of prices;
 - (e) the day or days, or period or periods, by reference to which prices, or any average of prices, is to be determined;
 - (f) the application of a prescribed price differential, in cases where the price of oil of one kind falls to be determined in whole or in part by reference to prices for oil of some other kind.

(2G) Sub-paragraph (2I) below has effect if, or in so far as, the Board are satisfied that it is impracticable or inappropriate to determine for the purposes of sub-paragraph (2) or (2AA) above the price of any oil in accordance with the provisions of regulations for the time being in force under sub-paragraph (2E) above.

- (2H) For that purpose it is immaterial whether the impracticability or inappropriateness is by virtue of—
- (a) an insufficiency of contracts or published prices that satisfy the conditions,
 - (b) an insufficiency of information relating to such contracts or published prices, or
 - (c) the nature of the market for oil of the kind in question,

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or for any other reason.

- (2I) Where this sub-paragraph has effect, the price is to be determined—
- (a) so far as it is practicable and appropriate to do so by reference to other contracts or published prices (whether or not relating to oil of the same kind) and in accordance with the principles set out in the regulations for determining an average of prices; and
 - (b) so far as it is not practicable or appropriate to determine it as mentioned in paragraph (a) above, in such other manner as appears to the Board to be appropriate in the circumstances.]

^{F119}(3)

[^{F120}(3A) Where all or any of the oil whose market value falls to be ascertained in accordance with [^{F121}sub-paragraph (1) and sub-paragraph (2) or (2AA) above] has been subjected to initial treatment before being disposed of or relevantly appropriated, the appropriate initial treatment referred to in [^{F122}sub-paragraph (2)(d) or (2AA)(d) above] shall, as respects that oil, include the whole of that treatment.]

- (4) The provisions of [^{F123}sub-paragraphs (2) and (2AA)] above shall apply for the ascertainment of the market value of oil in any case mentioned in paragraph 2(2) of Schedule 2 to this Act as they apply in relation to the corresponding case mentioned in those provisions.

[^{F124}(5) In this paragraph “prescribed” means specified in, or determined in accordance with, regulations.]

Textual Amendments

- F113** Sch. 3 para. 2(1)(2)(a)-(d) and part of (e) substituted for Sch. 3 para. 2(1)(2)(a) and part of (b) by [Finance Act 1987 \(c. 16\)](#), s. 62(3), [Sch. 11 para. 1\(2\)\(3\)](#) for chargeable periods ending after 31 December 1986
- F114** Words in Sch. 3 para. 2(1) inserted (3.5.1994) by [1994 c. 9](#), s. 236(1), [Sch. 23 para. 3\(1\)\(a\)](#) (with saving in s. 236(2))
- F115** Words in Sch. 3 para. 2(1) substituted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), s. 146(3)
- F116** Sch. 3 para. 2(1A)-(1C) inserted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), s. 146(4)
- F117** Sch. 3 para. 2(2)(2AA) substituted for Sch. 3 para. 2(2) (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), s. 146(5)
- F118** Sch. 3 para. 2(2E)-(2I) substituted for Sch. 3 para. 2(2A)-(2D) (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), s. 146(6)
- F119** Sch. 3 para. 2(3) repealed (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), s. 146(7), [Sch. 26 Pt. 5](#)
- F120** Sch. 3 para. 2(3A) inserted by [Finance Act 1980 \(c. 48\)](#), s. 109(6) in relation to chargeable periods ending after 31 December 1979
- F121** Words in Sch. 3 para. 2(3A) substituted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), s. 146(8)(a)
- F122** Words in Sch. 3 para. 2(3A) substituted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), s. 146(8)(b)
- F123** Words in Sch. 3 para. 2(4) substituted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), s. 146(9)
- F124** Sch. 3 para. 2(5) inserted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), s. 146(10)

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Modifications etc. (not altering text)

- C36** See Finance Act 1982 (c. 39), s. 134 and Sch. 18; Finance Act 1986 (c. 41), s. 109
- C37** Sch. 3 para. 2 applied (with modifications) by Income Tax (Trading and Other Income) Act 2005 (c. 5), ss. 225G(6)(7), 225J(6)(7) (as inserted (for the tax year 2010-11 and subsequent tax years) by Taxation (International and Other Provisions) Act 2010 (c. 8), s. 381(1), Sch. 1 para. 2 (with Sch. 9 paras. 1-9, 22))
- C38** Sch. 3 para. 2 applied (with modifications) (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 285(6)(7) (with Sch. 2)
- C39** Sch. 3 para. 2 applied (with modifications) (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 282(6)(7) (with Sch. 2)

[^{F125}2A(1) Paragraph 2 above shall have effect in accordance with this paragraph where the oil whose market value falls to be ascertained at any time in accordance with sub-paragraphs [^{F126}(1) to [^{F127}(2I)]] of that paragraph ^{F128}... consists of or includes gas.

[Sub-paragraphs (2) and (3) below also apply where the market value of any light ^{F129}(1A) gases falls to be ascertained under paragraph 3A below.]

(2) [^{F130}Sub-paragraph (2)(d) or (as the case may be) (2AA)(d) of paragraph 2 above][^{F131}or, as the case may require, sub-paragraph (2)(b) of paragraph 3A below] shall not apply to so much of the oil as consists of gas unless—

- (a) it has been subjected to initial treatment before being disposed of or relevantly appropriated; or
- (b) it has, after being disposed of or relevantly appropriated, been subjected to initial treatment by or on behalf of the participator in question or by or on behalf of a person who is connected with him within the meaning of [^{F132}section 1122 of CTA 2010];

and where oil consisting of gas has, whether before or after being disposed of or relevantly appropriated, been subjected to initial treatment by or on behalf of the participator in question or by or on behalf of a person who is connected with him as aforesaid the appropriate initial treatment referred to in sub-paragraph [^{F126}(2)(d)][^{F133}or (2AA)] of paragraph 2 above [^{F131}or, as the case may require, sub-paragraph (2)(b) of paragraph 3A below] shall include the treatment to which it has been so subjected.

(3) Where the initial treatment mentioned in sub-paragraph (2) [^{F134}or (2AA)] above includes treatment in order to separate gas of one or more kinds which are transported and sold in normal commercial practice, the market value of the gas of each such kind which is separated shall be ascertained in accordance with sub-paragraphs [^{F126}(1) to [^{F135}(2I)]] of paragraph 2 [^{F136}or, as the case may require, in accordance with paragraph 3A below] as if that were the only oil whose market value fell to be ascertained at the time in question ^{F137}....

^{F138}(4)]

Textual Amendments

- F125** Sch. 3 para. 2A inserted by Finance Act 1980 (c. 48), s. 109(7) in relation to chargeable periods ending after 31 December 1979
- F126** Words substituted by Finance Act 1987 (c. 16), s. 62(3) and Sch. 11 para. 2 for chargeable periods ending after 31 December 1986

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- F127** Word in Sch. 3 para. 2A(1) substituted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [Sch. 18 para. 8\(2\)\(a\)](#)
- F128** Words in Sch. 3 para. 2A(1) repealed (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [Sch. 18 para. 8\(2\)\(b\)](#), [Sch. 26 Pt. 5\(1\)](#)
- F129** Sch. 3 para. 2A(1A) inserted (3.5.1994) by 1994 c. 9, s. 236(1), [Sch. 23 para. 3\(2\)](#) (with saving in s. 236(2))
- F130** Words in Sch. 3 para. 2A(2) substituted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [Sch. 18 para. 8\(3\)\(a\)](#)
- F131** Words in Sch. 3 para. 2A(2) inserted (3.5.1994) by 1994 c. 9, s. 236(1), [Sch. 23 para. 3\(3\)](#) (with saving in s. 236(2))
- F132** Words in Sch. 3 para. 2A(2)(b) substituted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 1 para. 165\(3\)](#) (with [Sch. 2](#))
- F133** Words in Sch. 3 para. 2A(2) inserted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [Sch. 18 para. 8\(3\)\(b\)](#)
- F134** Words in Sch. 3 para. 2A(3) inserted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [Sch. 18 para. 8\(4\)\(a\)](#)
- F135** Word in Sch. 3 para. 2A(3) substituted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [Sch. 18 para. 8\(4\)\(b\)](#)
- F136** Words in Sch. 3 para. 2A(3) inserted (3.5.1994) by 1994 c. 9, s. 236(1), [Sch. 23 para. 3\(4\)](#) (with saving in s. 236(2))
- F137** Words in Sch. 3 para. 2A(3) repealed (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [Sch. 18 para. 8\(4\)\(c\)](#), [Sch. 26 Pt. 5\(1\)](#)
- F138** Sch. 23 para. 2A(4) repealed (3.5.1994) by 1994 c. 9, ss. 236(1), 258, [Sch. 23 para. 3\(5\)](#), [Sch. 26 Pt. VI Note 1](#) (with saving in s. 236(2))

Modifications etc. (not altering text)

- C40** See [Finance Act 1982 \(c. 39\)](#), s. 134 and Sch. 18; [Finance Act 1986 \(c. 41\)](#), s. 109

Aggregate market value of oil for purposes of section 2(5)

- [^{F139}3 (1) For the purposes of subsection (5) of section 2 of this Act, the aggregate market value of any oil falling within paragraph (b) or (c) of that subsection is arrived at as follows.
- (2) In the case of oil falling within paragraph (b) of that subsection and delivered as there mentioned in the chargeable period in question—
- (a) for each delivery, find (in accordance with paragraph 2 above (read, where applicable, with paragraph 2A above)) the market value of the quantity of oil delivered, and
- (b) aggregate the market values so found.
- (3) In the case of oil falling within paragraph (c) of that subsection and appropriated as there mentioned in the chargeable period in question—
- (a) for each appropriation, find (in accordance with paragraph 2 above (read, where applicable, with paragraph 2A above)) the market value of the quantity of oil appropriated, and
- (b) aggregate the market values so found.]

Textual Amendments

- F139** Sch. 3 para. 3 substituted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [Sch. 18 para. 9](#)

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[^{F140} Definition of market value of light gases]

Textual Amendments

F140 Sch. 3: Crossheading and para. 3A inserted (3.5.1994) by 1994 c. 9, s. 236(1), Sch. 23 para. 4 (with saving in s. 236(2))

- ^{F141}3A(1) The market value of any light gases for the purposes of this Part of this Act is the price at which, having regard to all the circumstances relevant to the disposal or appropriation in question, light gases of that kind might reasonably have been expected to be sold under a contract of sale satisfying the conditions specified in sub-paragraph (2) below.
- (2) The conditions referred to in sub-paragraph (1) above are that—
- (a) the contract is for the sale of the gases at arm's length to a willing buyer;
 - (b) the contract requires the gases to have been subjected to appropriate initial treatment before delivery; and
 - (c) the contract requires the gases to be delivered—
 - (i) in the case of gases extracted in the United Kingdom, at the place of extraction; or
 - (ii) in the case of gases extracted from strata in the sea bed and subsoil of the territorial sea of the United Kingdom or of a designated area, at the place in the United Kingdom or another country at which the seller could reasonably be expected to deliver the gases or, if there is more than one such place, the one nearest to the place of extraction.
- (3) If the circumstances referred to in sub-paragraph (1) above are such that the price referred to in that sub-paragraph might reasonably be expected to include—
- (a) any such payments as are referred to in subsection (2) of section 114 of the Finance Act 1984 (treatment of certain payments relating to gas sales), or
 - (b) any capacity payments, as defined in subsection (5) of that section,
- section 114 of the Finance Act 1984 shall apply accordingly in relation to the notional contract specified in sub-paragraph (1) above as it applies in relation to an actual contract.
- [The circumstances referred to in sub-paragraph (1) above include—
- ^{F142}(3A) (a) the timing of the making, and of any subsequent variations, of the actual contract or other arrangements under which the disposal or appropriation was made;
- (b) the terms of that contract or, as the case may be, of those arrangements, and the terms of any such variations; and
 - (c) the extent to which the circumstances to which regard is to be had by virtue of paragraphs (a) and (b) above are circumstances that might reasonably have been expected to exist in the case of a contract satisfying the conditions specified in sub-paragraph (2) above.]

(4) This paragraph has effect subject to sub-paragraphs (2) and (3) of paragraph 2A above.]

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Textual Amendments

- F141** Sch. 3 para. 3A inserted (3.5.1994) by 1994 c. 9, s. 236(1), **Sch. 23 para. 4** (with saving in s. 236(2))
F142 Sch. 3 para. 3A(3A) inserted (*retrospectively*) by 1998 c. 36, s. 152(1)

Modifications etc. (not altering text)

- C41** Sch. 3 para. 3A applied (with modifications) by **Income Tax (Trading and Other Income) Act 2005 (c. 5), ss. 225G(6)(7), 225J(6)(7)** (as inserted (for the tax year 2010-11 and subsequent tax years) by **Taxation (International and Other Provisions) Act 2010 (c. 8), s. 381(1), Sch. 1 para. 2** (with **Sch. 9 paras. 1-9, 22**))
C42 Sch. 3 para. 3A applied (with modifications) (with effect in accordance with s. 1184(1) of the amending Act) by **Corporation Tax Act 2010 (c. 4), s. 285(6)(7)** (with **Sch. 2**)
C43 Sch. 3 para. 3A applied (with modifications) (with effect in accordance with s. 1184(1) of the amending Act) by **Corporation Tax Act 2010 (c. 4), s. 282(6)(7)** (with **Sch. 2**)

Oil delivered in place of royalties to be disregarded for certain purposes

- 4 Oil delivered to the [^{F143}OGA] under the terms of a licence granted under [^{F144}Part I of the Petroleum Act 1998] shall be disregarded for the purposes of section 2(5) of this Act and for the purposes of the references in section 8(3) and (4) of this Act to a participator's share of the oil won and saved from an oil field in a chargeable period.

Textual Amendments

- F143** Word in Sch. 3 para. 4 substituted (1.10.2016) by **The Petroleum (Transfer of Functions) Regulations 2016 (S.I. 2016/898), regs. 1(2), 4(9)**
F144 Words in Sch. 3 para. 4 substituted (15.2.1999) by 1998 c. 17, s. 50, **Sch. 4 para. 7(7)** (with **Sch. 3 para. 5(1)**); S.I. 1999/161, **art. 2(1)**

Effect of transfer to an associated company of participator's rights etc. in connection with an oil field or relevant licence

- 5 (1) This paragraph applies to any agreement or other arrangement between a participator in an oil field and a company associated with the participator whereby—
- ownership of all or any of the participator's share of the oil won and saved from the field is transferred to the company; and
 - the company obtains or assumes all or any of the participator's other rights, interests and obligations in connection with the field or any relevant licence.
- (2) As regards any chargeable period in which a participator in an oil field is a party to an arrangement to which this paragraph applies, the other party to the arrangement shall be treated for all purposes of this Part of this Act (except this paragraph) and for the purposes of [^{F145}sections 299 to 301 of CTA 2010] as having been a participator in the field at all times when the actual participator was such a participator (including times before the arrangement was made), and shall be assessable and chargeable to tax and entitled to make any claim under this Part of this Act, and any deduction or claim under [^{F145}sections 299 to 301 of CTA 2010], accordingly.
- (3) Where a participator in an oil field is or has been a party to an arrangement to which this paragraph applies then for all purposes of this Part of this Act—

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- (a) anything done by or in relation to the participator in connection with the field or any relevant licence shall be treated as being or having been done by or, as the case may be, in relation to the other party to the arrangement; and
 - (b) all rights, interests or obligations of the participator in connection with the field or any relevant licence shall be treated as being or having been rights, interests or obligations of the other party.
- (4) Where a participator in an oil field is or has been a party to an arrangement to which this paragraph applies, then, if any tax or interest payable under this Part of this Act by the other party to the arrangement is not paid within thirty days after the date on which it becomes payable, the Board may by notice in writing require the participator to pay that tax or interest; and where such a notice is served on the participator, the tax or interest in question shall be payable by him forthwith, but without prejudice to the Board's right to recover it from the other party.
- (5) For the purposes of this paragraph “company” means any body corporate, and a participator in an oil field and another company are associated with one another if—
- (a) the participator has control over or is under the control of the other company; or
 - (b) the participator and the other company are both under the control of the same person or persons;
- and in this sub-paragraph “control” has the meaning given by [^{F146}section 1124 of CTA 2010].

Textual Amendments

F145 Words in Sch. 3 para. 5(2) substituted (with effect in accordance with s. 1184(1) of the amending Act) by *Corporation Tax Act 2010 (c. 4), s. 1184(1), Sch. 1 para. 165(4)* (with Sch. 2)

F146 Words in Sch. 3 para. 5(5) substituted (with effect in accordance with s. 1184(1) of the amending Act) by *Corporation Tax Act 2010 (c. 4), s. 1184(1), Sch. 1 para. 165(5)* (with Sch. 2)

Modifications etc. (not altering text)

C44 See *Finance Act 1981 (c. 35), s. 128(1)* and Sch. 16 para. 14; *Finance Act 1982 (c. 39), s. 139(6), Sch. 19 para. 20*

Oil owned by a person other than a participator in the oil field from which it was won

- 6 (1) Where a proportion of a participator's share in the oil won and saved from an oil field (as distinct from a specific quantity of oil comprised in that share) is owned by [^{F147}a person (in this paragraph referred to as “the owner”) who is not a participator and] who acquired it (whether directly or indirectly) under an agreement to which paragraph 5 above does not apply, the following provisions of this paragraph shall have effect.
- (2) For the purposes of this Part of this Act the oil acquired by the owner under the agreement shall be treated in every case as having been disposed of to him by the participator otherwise than in a sale at arm's length.
- (3) Where any oil which the owner owns in right of the agreement is in pursuance of the agreement—
- (a) delivered to the owner by the participator; or
 - (b) delivered to a third person by the participator acting on behalf of the owner,

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the delivery shall for the purposes of this Part of this Act be regarded as a delivery by the participator although he does not own the oil.

- (4) This sub-paragraph applies to all such oil (if any) as, being owned by the owner in right of the agreement, is in any chargeable period delivered by the participator as mentioned in the preceding sub-paragraph and would accordingly, apart from the following sub-paragraph, fall to be brought into account under section 2(5)(b) of this Act in computing the assessable profit or allowable loss accruing to the participator in that period (in the following sub-paragraph referred to as “the relevant period”).
- (5) If on a claim made by the participator within two months after the end of the relevant period—
- (a) it is shown that some or all of the oil to which sub-paragraph (4) above applies has been disposed of by or on behalf of the owner crude in sales at arm’s length; and
 - (b) the Board are satisfied that the oil with respect to which it is so shown includes the whole of so much of the oil to which that sub-paragraph applies as has been so disposed of,

then, in computing the assessable profit or allowable loss accruing to the participator in the relevant period, the oil with respect to which it is so shown shall be brought into account by reference to the price received or receivable for it by the owner instead of by reference to its market value.

Textual Amendments

F147 Words substituted by [Finance Act 1977 \(c. 36\), s. 54\(2\)](#)

[^{F148} Effect of certain transactions between participators

Textual Amendments

F148 Sch. 3 para. 6A inserted by [Finance Act 1977 \(c. 36\), s. 54](#)

- 6A Where the whole or part of the share of a participator (“the transferor”) of oil won from an oil field became the share, or part of the share, of another participator (“the transferee”) in pursuance of an agreement between them under which the transferor undertook to remain responsible for carrying out the transferee’s obligations in connection with the field so far as they relate to the transferred share or part, then, for the purposes of this Part of this Act—
- (a) the shares of the transferor and the transferee of oil won from the field shall be taken to be the same as they would have been if the transfer had not occurred, and
 - (b) any oil comprised in the transferred share or part and taken up by or on the authority of the transferee in pursuance of the agreement shall be regarded as being disposed of and delivered to him by the transferor at the time when it is taken up.]

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*Exclusion from section 2(4)(b) and (5)(d) of
 offshore oil in transit to place of first landing^{F149} . . .*

Textual Amendments

F149 Words in the heading to Sch. 3 para. 7 repealed (16.7.1992 with effect in accordance with ss. 55(3), 74(5) of the amending Act) by Finance (No. 2) Act 1992 (c. 48), ss. 55(3), 74, 82, Sch. 15 para. 4(2)(a), Sch. 18 Pt. VIII

- 7 In computing the assessable profit or allowable loss accruing to a participator in a chargeable period from an oil field, the market value of any oil won as mentioned in section 3(1)(f) of this Act—
- (a) shall not be taken into account under section 2(4)(b) of this Act if and to the extent that at the end of the preceding chargeable period the oil was in the course of being transported to the place where it was first landed in the United Kingdom [^{F150}or to the place referred to in section 3(1)(f)(ii) of this Act]; and
 - (b) shall not be taken into account under section 2(5)(d) of this Act if and to the extent that at the end of the first-mentioned chargeable period the oil was in the course of being so transported.

Textual Amendments

F150 Words in Sch. 3 para. 7(a) inserted (16.7.1992 with effect in accordance with s. 74(5) of the amending Act) by Finance (No. 2) Act 1992 (c. 48), ss. 74, 82, Sch. 15 para. 4(2)(b).

Certain subsidised expenditure to be disregarded

- 8 (1) Expenditure shall not be regarded for any of the purposes of this Part of this Act as having been incurred by any person in so far as it has been or is to be met directly or indirectly by the Crown or by any government or public or local authority, whether in the United Kingdom or elsewhere, or by any person other than the first-mentioned person, [^{F151}unless it is so met by a grant made under Part I of the ^{M5}Industry Act 1972 or a grant made under an enactment of the Parliament of Northern Ireland or Measure of the Northern Ireland Assembly and declared by order of the Treasury under section 84 of the ^{M6}Capital Allowances Act 1968 to correspond to a grant made under the said Part II.]
- [^{F152}(1A) But sub-paragraph (1) above does not apply to any expenditure for which the relevant participator is liable that has been or is to be met directly or indirectly out of a payment made by the guarantor under an abandonment guarantee.
- (1B) In sub-paragraph (1A) above—
- “abandonment guarantee” has the same meaning as it has for the purposes of section 3 of this Act (see section 104 of the Finance Act 1991), and
 - “the guarantor” and “the relevant participator” have the same meaning as in section 104 of that Act.]
- (2) In considering, for the purposes of this paragraph, how far any expenditure has been or is to be met directly or indirectly by the Crown or by any authority or person

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other than the person incurring the expenditure, there shall be left out of account any insurance or compensation payable in respect of the loss or destruction of any asset.

[^{F153}(3) This paragraph is subject to paragraph 11A (transfers of interests in oil fields: post-transfer decommissioning expenditure).]

Textual Amendments

F151 Words repealed by [Finance Act 1982 \(c. 39\)](#), **ss. 137(1)(7), 157(6)** and Sch. 19 Part IX in respect of relevant expenditure incurred after 9 March 1982 where the grant concerned is paid after that date

F152 Sch. 3 para. 8(1A)(1B) inserted (with effect in accordance with Sch. 31 para. 23 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), **Sch. 31 para. 3**

F153 Sch. 3 para. 8(3) inserted (12.2.2019) by [Finance Act 2019 \(c. 1\)](#), **s. 38(3)**

Modifications etc. (not altering text)

C45 See [Finance Act 1981 \(c. 35\)](#), **s. 118(5)**

Marginal Citations

M5 1972 c. 63.

M6 1968 c. 3.

Election to have amounts mentioned in section 2(9)(b) and (c) spread

^{F154}9

Textual Amendments

F154 Sch. 3 para. 9 omitted (with effect in accordance with Sch. 45 para. 1(5) of the amending Act) by virtue of [Finance Act 2009 \(c. 10\)](#), **Sch. 45 para. 1(2)**

^{F155}10

Textual Amendments

F155 Sch. 3 para. 10 omitted (with effect in accordance with Sch. 45 para. 1(5) of the amending Act) by virtue of [Finance Act 2009 \(c. 10\)](#), **Sch. 45 para. 1(2)**

Restriction of amount of reduction under section 8(1)

11 Where—

- (a) a claim under Schedule 5 or 6 to this Act is made after the relevant time; and
- (b) the reduction which would, apart from this paragraph, fall to be made under subsection (1) of section 8 of this Act for any chargeable period is greater than it would have been if the expenditure and other amounts allowed on the claim had been claimed before and allowed at the relevant time,

then, if the Board so direct, the reduction made under that subsection for that chargeable period shall be only what it would have been if the expenditure and other amounts allowed on the claim had been claimed before and allowed at the relevant time.

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

In this paragraph “the relevant time” means the end of twelve months from the end of the claim period to which the claim mentioned in sub-paragraph (a) above relates.

[^{F156}Transfers of interests in oil fields: post-transfer decommissioning expenditure

Textual Amendments

F156 Sch. 3 para. 11A and cross-heading inserted (12.2.2019) by [Finance Act 2019 \(c. 1\), s. 38\(2\)](#)

- 11A (1) This paragraph applies if—
- (a) there is, for the purposes of Schedule 17 to FA 1980, a transfer by a participant in an oil field of the whole or part of an interest in the field, and
 - (b) on or after 1 November 2018, the OGA gives consent for the transfer.
- (2) Paragraph 8(1) (certain subsidised expenditure to be disregarded) does not apply to any decommissioning expenditure that—
- (a) is incurred by the new participant, and
 - (b) has been, or is to be, met directly or indirectly out of a payment made by the old participant.
- (3) Sub-paragraph (4) applies if, at the end of the transfer period, the old participant is no longer a licensee or a participant in respect of any licensed area wholly or partly included in the oil field.
- (4) Decommissioning expenditure that is incurred by the old participant, after the end of the transfer period, is to be treated for the purposes of this Act as having been incurred by the new participant (and paragraph 8(1) does not apply to any such expenditure).
- (5) If the old participant has transferred the whole or part of another interest in the oil field to the new participant, but the condition in sub-paragraph (1)(b) was not met in respect of the transfer, references in sub-paragraphs (2) and (4) to decommissioning expenditure are references to such proportion of that expenditure as is just and reasonable.
- (6) In this paragraph—
- (a) “decommissioning expenditure” means—
 - (i) expenditure that is incurred, in relation to the oil field mentioned in sub-paragraph (1)(a), for a purpose within section 3(1)(i) or (j) (decommissioning or restoration), and
 - (ii) is allowable under that section;
 - (b) “the old participant”, “the new participant” and “the transfer period” have the same meaning as in Schedule 17 to FA 1980 (see paragraph 1(3) of that Schedule).
- (7) If there is, for the purposes of Schedule 17 to FA 1980, a subsequent transfer of the whole or part of an interest in the oil field mentioned in sub-paragraph (1) (a), references in this paragraph to “the old participant” include references to each participant whose interest, or part of it, in the oil field is the subject of a transfer to which this paragraph applies.]

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

[^{F157}Power to make regulations under this Schedule

Textual Amendments

F157 Sch. 3 para. 12 and cross-heading inserted (with effect in accordance with s. 147(1)(2) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), **Sch. 18 para. 10**

- 12 (1) Any power to make regulations under this Schedule is exercisable by statutory instrument.
- (2) A statutory instrument containing regulations under this Schedule may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, the House of Commons.
- (3) Any power to make regulations under this Schedule includes power—
- (a) to make different provision for different Categories or kinds of oil or for different cases, or
 - (b) to make incidental, consequential, supplemental, or transitional provision or savings.]

SCHEDULE 4

Sections 3 and 4.

PROVISIONS SUPPLEMENTARY TO SECTIONS 3 AND 4

Modifications etc. (not altering text)

C46 See [Oil Taxation Act 1983 \(c. 56\)](#), **s. 3(6)**

Restrictions on expenditure allowable under section 3 or 4

- 1 (1) Expenditure incurred by any person in the acquisition of an asset is not allowable under section 3 or 4 of this Act for an oil field if expenditure previously incurred by another person in acquiring, bringing into existence, or enhancing the value of that asset is allowable under that section for that field.

Section 4(13) of this Act applies to the preceding provisions of this sub-paragraph.

- (2) Sub-paragraph (1) above shall, with any necessary modifications, have effect in relation to expenditure incurred by a person—
- (a) in renting or hiring an asset or any interest in an asset; or
 - (b) for the provision of services or other business facilities of whatever kind; or
 - (c) for the grant or transfer to him of any right, licence or interest (other than an interest in an asset),

as it has effect in relation to expenditure incurred in the acquisition of, or of an interest in, an asset.

Modifications etc. (not altering text)

C47 See [Oil Taxation Act 1983 \(c. 56\)](#), **s. 5(4)**

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

- 2 ^{F158}(1) Where, in a transaction to which this paragraph applies, a person has incurred expenditure in acquiring, bringing into existence or enhancing the value of an asset, he shall at any time be treated for the purposes of—
- (a) sections 3 and 4 of this Act, and
 - (b) sections 3 and 4 of and Schedule 1 to the ^{M7}Oil Taxation Act 1983,
- ^{F159}as having incurred that expenditure only to the extent that it does not exceed the lowest of the amounts described in sub-paragraph (1ZA) below which is applicable in the particular case.]

[Those amounts are—

- ^{F160}(1ZA) (a) the amount of expenditure (other than loan expenditure) incurred up to the time mentioned in sub-paragraph (1) above in a transaction to which this paragraph does not apply (or, if there has been more than one such transaction, the later or latest of them) in acquiring, bringing into existence, or enhancing the value of, the asset;
- (b) the amount of the open market consideration for the acquisition, bringing into existence, or enhancement of the value, of the asset;
- (c) in a case where the other party to the transaction is a participator in a taxable field and in the case of that participator either—
- (i) an amount is brought into account under section 2 of this Act in accordance with section 7(1) of the Oil Taxation Act 1983 as disposal receipts in respect of the transaction, or
 - (ii) no amount is so brought into account by reason of reductions falling to be made in the amount that would have been so brought into account apart from those reductions,
- the amount so brought into account or, as the case may be, nil;
- (d) in a case where the other party to the transaction is not a participator in a taxable field but—
- (i) the transaction is the latest in a series of transactions in respect of the asset (or in respect of an asset or assets in which the asset was comprised),
 - (ii) those transactions are transactions to which this paragraph applies,
 - (iii) in the case of at least one of those transactions, there is a party who is a participator in an oil field, and
 - (iv) in the case of any such party, an amount either is brought into account as mentioned in paragraph (c)(i) above in respect of the transaction or would have been so brought into account but for such reductions as are mentioned in paragraph (c)(ii) above,
- so much of the amount so brought into account in respect of that transaction (or, where there are two or more such transactions, the later or latest of them) as is justly and reasonably referable to the asset mentioned in sub-paragraph (1) above (taking that amount as being nil in the case of any transaction where no amount is so brought into account by reason of any such reductions).]

- (1A) Subsections (1) to (3) of section 191 of the Finance Act 1993 apply to determine for the purposes of this paragraph what expenditure has at any time been incurred under a transaction to which this paragraph does not apply, as they apply in relation to expenditure for the allowance of which a claim is received by the Board after 16th March 1993.

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- (1B) In sub-paragraph [^{F161}(1ZA)(a)] above “loan expenditure” means expenditure in respect of interest or any other pecuniary obligation incurred in obtaining a loan or any other form of credit.]
- [^{F162}(1C) The reference in sub-paragraph (1ZA)(b) above to the open market consideration for the acquisition, bringing into existence, or enhancement of the value, of an asset is a reference to the consideration which might reasonably have been given for the acquisition, bringing into existence, or enhancement of the value, of the asset (whatever the nature of the acquisition, bringing into existence or enhancement of the value) had it been made in a transaction to which this paragraph does not apply.]
- (2) This paragraph applies to any transaction between connected persons and to any transaction made otherwise than at arm’s length; and for the purposes of this paragraph a person is connected with another person if [^{F163}they are connected within the meaning of [^{F164}section 1122 of CTA 2010]].
- ^{F165}[(3) The preceding provisions of this section shall, with any necessary modification, apply in relation to expenditure incurred by any person in acquiring an interest in an asset or in bringing into existence an asset in which he is to have an interest, or in enhancing the value of an asset in which he has an interest, as those provisions apply in relation to expenditure incurred by a person in acquiring, bringing into existence, or enhancing the value of an asset, as the case may be.
- (4) The provisions of sub-paragraphs (1) to (2) above shall, with any necessary modification, apply in relation to expenditure incurred by any person in respect of—
- (a) the use of an asset (including expenditure on renting or hiring), or
 - (b) the provision of services or other business facilities of whatever kind in connection with the use, otherwise than by that person, of an asset,
- as they have effect in relation to expenditure incurred in the acquisition of, or of an interest in, an asset.]

Textual Amendments

- F158** Sch. 4 para. 2(1)-(1B) substituted for Sch. 4 para. 2(1) (27.7.1993 with effect as mentioned in s. 191(6)) for para. 2(1) by [1993 c. 34, ss. 191\(4\)\(6\)](#)
- F159** Words in Sch. 4 para. 2(1) substituted (with effect in accordance with s. 287(6) of the amending Act) by [Finance Act 2004 \(c. 12\), s. 287\(2\)](#)
- F160** Sch. 4 para. 2(1ZA) inserted (with effect in accordance with s. 287(6) of the amending Act) by [Finance Act 2004 \(c. 12\), s. 287\(3\)](#)
- F161** Word in Sch. 4 para. 2(1B) substituted (with effect in accordance with s. 287(6) of the amending Act) by [Finance Act 2004 \(c. 12\), s. 287\(4\)](#)
- F162** Sch. 4 para. 2(1C) inserted (with effect in accordance with s. 287(6) of the amending Act) by [Finance Act 2004 \(c. 12\), s. 287\(5\)](#)
- F163** Words substituted for Sch. 4 para. 2(2)(a)–(c) by [Finance \(No. 2\) Act 1979 \(c. 47\), s. 20\(2\)](#) in relation to expenditure claimed after 31 December 1978
- F164** Words in Sch. 4 para. 2(2) substituted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\), s. 1184\(1\), Sch. 1 para. 166\(2\)](#) (with [Sch. 2](#))
- F165** Sch. 4 para. 2(3)(4) substituted for Sch. 4 para. 2(3) (27.7.1993 with effect as mentioned in s. 191(6)) by virtue of [1993 c. 34, ss. 191\(5\)\(6\)](#)

Modifications etc. (not altering text)

- C48** See [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\), s. 495](#)

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

C49 See Oil Taxation Act 1983 (c. 56), **Sch. 2 para. 5** in relation to transactions to which Sch. 4 para. 2 applies

Marginal Citations

M7 1983 c. 56.

F166₃

Textual Amendments

F166 Sch. 4 para. 3 omitted (with effect in accordance with Sch. 45 para. 1(5) of the amending Act) by virtue of Finance Act 2009 (c. 10), **Sch. 45 para. 1(4)**

Disposal of long-term asset formerly used in connection with an oil field

- 4 (1) Where an asset is used in connection with an oil field in circumstances such that section 4 of this Act applies to any expenditure incurred in acquiring, bringing into existence, or enhancing the value of that asset, then if—
- (a) the asset is disposed of for valuable consideration while in use in that connection or not more than two years after its use in that connection permanently ceases;
 - (b) the person making the disposal is either a participator in the field or a person connected with a participator;
 - (c) the person to whom the disposal is made is not a person connected with a participator; and
 - (d) the amount or value of the consideration received or receivable for the disposal is not less than the price which the asset might reasonably have been expected to fetch if sold in the open market at the time of the disposal,
- sub-paragraphs (2) to (4) below shall have effect.
- (2) If the disposal occurs without the asset permanently ceasing to be used in connection with the field, its use in that connection shall for the purposes of section 4 of this Act and the following provisions of this paragraph be deemed to have permanently ceased at the time of the disposal.
- (3) If the disposal takes place not later than the end of the claim period in which the use of the asset in connection with the field permanently ceases, the proportion of the expenditure allowable under section 4 of this Act for the relevant period (that is to say the period which, in relation to that claim period, is the relevant period for the purposes of subsection (7) of that section) or, if the claim period in question is the first relevant claim period (as defined in that section), the proportion of the expenditure so allowable for that claim period shall be computed under that section subject to the provisions of sub-paragraph (5) below.
- (4) If the disposal takes place after the end of the claim period in which the use of the asset in connection with the field permanently ceases, then, as regards the claim period in which the disposal takes place—
- (a) subsection (7) of section 4 of this Act shall have effect in relation to the asset as if its use in that connection had permanently ceased in that claim period (but so that for the purposes of subsections (5) and (6) of that section as applied by the said subsection (7) the asset shall not be treated as having been used in that connection at any time when it was not so used); and

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- (b) the proportion of the expenditure allowable under that section for the relevant period (that is to say the period which, in relation to that claim period is the relevant period for the purposes of the said subsection (7)) shall be computed under that section subject to the provisions of sub-paragraph (5) below.
- (5) For the purposes of the computation mentioned in sub-paragraph (3) or (4) above, as the case may be—
- (a) the amount of the expenditure incurred in acquiring, bringing into existence, or enhancing the value of the asset which would otherwise fall to be taken into account shall be treated as reduced by the amount or value of the consideration received or receivable for the disposal (or, if equal to or smaller than the amount or value of that consideration, as reduced to nil); and
 - (b) the asset's useful life shall be treated as having ended at the time of the disposal or, if the asset permanently ceased to be used in connection with the field before that time and was neither used nor available for use by anyone in the interval between its permanently ceasing to be so used and the time of the disposal, at the time when it permanently ceased to be so used.
- (6) In any case where, for different parts of the expenditure incurred in the case of an asset as mentioned in sub-paragraph (1) above, different proportions thereof would be allowable under section 4 of this Act apart from sub-paragraph (5)(a) above (including a case where, for some but not all of that expenditure, the proportion thereof so allowable would be 100 per cent.), the amount or value of the consideration received or receivable for the disposition shall for the purposes of this paragraph be treated as referable to those different parts in such proportions as may be just and reasonable.
- (7) Section 4(13) of this Act applies to the preceding provisions of this paragraph; and those provisions shall, with any necessary modifications, apply in relation to a disposal of an interest in an asset as they apply in relation to a disposal of an asset.
- (8) [^{F167}Section 1122 of CTA 2010] (connected persons) shall apply for the purposes of this paragraph.

Textual Amendments

F167 Words in [Sch. 4 para. 4\(8\)](#) substituted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 1 para. 166\(3\)](#) (with [Sch. 2](#))

Modifications etc. (not altering text)

C50 See [Oil Taxation Act 1983 \(c. 56\)](#), s. [1\(4\)](#)

C51 See [Oil Taxation Act 1983 \(c. 56\)](#), s. [5\(7\)](#)

5

F168

Textual Amendments

F168 [Sch. 4 para. 5](#) repealed by [Oil Taxation Act 1983 \(c. 56\)](#), s. [15\(6\)](#) and [Sch. 6](#)

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

Provisions supplementary to section 4(9) of this Act and paragraph 5(2) above

- 6 (1) Where in the case of an oil field, the total amount of the expenditure allowable under sections 3 and 4 of this Act on a claim for a claim period—
- (a) is, under one or more of the relevant provisions, reduced to nil; and
 - (b) would, under one or more of those provisions, have fallen to be reduced by a further amount if the total amount of that expenditure had been sufficient to enable the maximum reduction thereunder to be made,
- that further amount shall be apportioned between the participators in proportions corresponding to what for that claim period would be their respective shares of any expenditure falling within section 2(9)(b)(i) of this Act; and in computing the assessable profit or allowable loss accruing to any participator in the earliest chargeable period which ends after the end of that claim period, the aggregate mentioned in section 2(4)(a) of this Act shall be increased by an amount equal to the amount apportioned to him under this paragraph.
- (2) In this paragraph “the relevant provisions” means section 4(9) of this Act and paragraph 5(2) above.

Modifications etc. (not altering text)

C52 See Oil Taxation Act 1983 (c. 56), s. 3(6)

Insurance or compensation in respect of loss or destruction of long-term asset formerly used in connection with oil field

- 7 (1) Where, in consequence of the loss or destruction at any time within the period mentioned in sub-paragraph (1) of paragraph 4 above of such an asset as is mentioned in that sub-paragraph, any insurance or compensation in respect of the loss or destruction is receivable by a participator in the field or a person connected with a participator, paragraphs 4 and 6 above shall apply as if at that time the person by whom the insurance or compensation is receivable had disposed of the asset or his interest in it for an amount equal to the insurance or compensation.
- (2) [^{F169}Section 1122 of CTA 2010] (connected persons) shall apply for the purposes of this paragraph.

Textual Amendments

F169 Words in Sch. 4 para. 7(2) substituted (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), Sch. 1 para. 166(4) (with Sch. 2)

Assets acquired jointly by participators in different oil fields

- 8 Where an asset was acquired jointly by persons who are participators in two or more different oil fields (whether or not any one of those persons is a participator in more than one of those fields), then in determining for the purposes of section 4 of this Act, in the case of any one of those fields, the use which has been, or which it is reasonable to assume will be, made of the asset otherwise than in connection with that field, no regard shall be had to its use or possible use in connection with any other of those fields.

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

Modifications etc. (not altering text)

C53 See Oil Taxation Act 1983 (c. 56), s. 3(6)

SCHEDULE 5

Sections 3 and 4.

ALLOWANCE OF EXPENDITURE (OTHER THAN ABORTIVE EXPLORATION EXPENDITURE)

Modifications etc. (not altering text)

C54 Sch. 5 excluded by Finance Act 1991 (c. 31, SIF 63:1), s. 108(6).

Claim periods and claims

- 1 (1) In relation to any oil field—
 - (a) the first claim period is whichever of the following periods the responsible person elects, namely the period ending at the end of June following the determination of the field or the period ending at the end of December following that determination (including, in either case, an unlimited time prior to that determination);
 - (b) each subsequent claim period is whichever of the following periods the responsible person elects, namely the period of six months or the period of twelve months from the end of the preceding claim period:

Provided that unless and until the responsible person elects the period of six months from the end of any particular claim period, the claim period next after that claim period shall be taken to be the period of twelve months from the end of it.

- (2) An election under this paragraph must be made by notice in writing to the Board.
- 2 (1) A claim under this Schedule for the allowance of any expenditure allowable under section 3 or 4 of this Act for an oil field must be made by the responsible person to the Board and, subject to the provisions of this Part of this Act, must be made in a claim or claims for the claim period in which the expenditure is incurred, but may not be made before the determination of the field or more than [^{F170}4 years] after the end of the claim period in which the expenditure is incurred.
- (2) A claim under this Schedule for the allowance of any expenditure allowable under section 3 or 4 of this Act for an oil field which was incurred by a person before he became a participator in the field must be made in a claim for the claim period in which he became a participator.
- (3) A claim under this Schedule shall not include any expenditure allowable under section 3 or 4 of this Act which has been included in a claim under Schedule 6 to this Act.
- (4) A claim must state—
 - (a) what part (if any) of the expenditure is claimed as qualifying for supplement under section 2(9)(b)(ii) of this Act; and

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

(b) [^{F171}Subject to paragraph 2A below]the shares in which, in accordance with their respective interests in the oil field, the participators propose to divide between them, for the purposes of paragraph (b) of section 2(9) of this Act, the expenditure allowed on the claim and the amount which will arise under sub-paragraph (ii) of that paragraph if some or all of that expenditure is allowed on the claim as so qualifying.

(5) Where a claim for the allowance of any expenditure under section 4 of this Act for an oil field was made in relation to any asset for the claim period which, in the case of that asset, is the first relevant claim period (as defined in that section), then any claim with respect to that field made under this Schedule for any subsequent claim period must give all such information as is relevant for the purpose of enabling the Board to carry into effect the provisions of that section in relation to that asset.

(6) A claim must be in such form as the Board may prescribe and must include a declaration that all statements contained in it are correct to the best of the knowledge and belief of the person making the claim.

[^{F172}(7) Where—

- (a) the claim period in which any expenditure allowable under section 3 or 4 of this Act for an oil field is incurred coincides with or includes a chargeable period, and
- (b) the Board has extended the period for the delivery of the return that is required under paragraph 5 of Schedule 2 to this Act to be delivered for that chargeable period by the responsible person, and
- (c) the relevant time falls more than [^{F173}2 years] after the end of the claim period,

sub-paragraph (1) above shall have effect as if the reference to [^{F174}4 years] after the end of the claim period in which the expenditure is incurred were a reference to two years after the relevant time.

(8) In sub-paragraph (7) above “the relevant time” means the earlier of—

- (a) the time which, as a result of the extension mentioned in that sub-paragraph, is the latest time for the delivery of the return there mentioned; and
- (b) the time when that return is delivered.]

Textual Amendments

F170 Words in Sch. 5 para. 2(1) substituted (1.4.2011) by Finance Act 2009 (c. 10), s. 99(2), Sch. 51 para. 23(2); S.I. 2010/867, art. 2(2)

F171 Words in Sch. 5 para. 2(4)(b) inserted by Finance Act 1991 (c. 31, SIF 63:1), s. 107(1).

F172 Sch. 5 para. 2(7)(8) inserted (27.9.1999 with application in relation to chargeable periods ending on or after 30.6.1999) by 1999 c. 16, s. 102(4)(8)

F173 Words in Sch. 5 para. 2(7)(c) substituted (1.4.2011) by Finance Act 2009 (c. 10), s. 99(2), Sch. 51 para. 23(3)(a); S.I. 2010/867, art. 2(2)

F174 Words in Sch. 5 para. 2(7) substituted (1.4.2011) by Finance Act 2009 (c. 10), s. 99(2), Sch. 51 para. 23(3)(b); S.I. 2010/867, art. 2(2)

Modifications etc. (not altering text)

C55 See Oil Taxation Act 1983 (c. 56), s. 3(6)

C56 See Finance Act 1982 (c. 39), s. 135(1)(c) in relation to any case where oil was won before the date of determination

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C57 See Finance (No. 2) Act 1979 (c. 47), s. 19(4) where more than one rate of uplift applies; Finance Act 1981 (c. 35), s. 111(6)

C58 See Oil Taxation Act 1983 (c. 56), s. 5(7)

^{F175}2A(1) This paragraph applies if—

- (a) a current participator (“the defaulter”) has defaulted on a liability under—
 - (i) a relevant agreement, or
 - (ii) an abandonment programme,to make a payment towards abandonment expenditure, and
- (b) a current or former participator (“the contributing participator”) pays an amount in or towards meeting the whole or part of the default (“a default payment”).

(2) If a claim is made under this Schedule for the allowance of the abandonment expenditure, the amount of the default payment is to be attributed to the contributing participator for the purposes of paragraphs 2(4)(b) and 3(1)(c).

(3) But the amount attributed under sub-paragraph (2) may not exceed—

- (a) so much of the sum in default as the contributing participator is required to meet in accordance with—
 - (i) the relevant agreement, or
 - (ii) the abandonment programme, or
- (b) such other amount as the participator may be required to meet in accordance with a direction given under Part 4 of the Petroleum Act 1998.

(4) Sub-paragraph (2) is subject to paragraph 2B.

(5) In determining the amount which is to be attributed to the contributing participator under sub-paragraph (2), account shall be taken of the whole of the defaulter's interest in the relevant oil field.

(6) But in determining the share of the abandonment expenditure to be attributed to the defaulter under paragraph 2(4)(b), the amount which would be attributed by reference to the defaulter's interest in the relevant oil field is to be reduced or (as the case may be) extinguished by the deduction of the aggregate of—

- (a) the amount attributed to the contributing participator under sub-paragraph (2), and
- (b) any other amounts attributed under sub-paragraph (2) to other current or former participators who make default payments in respect of the defaulter's default.

Textual Amendments

F175 Sch. 5 paras. 2A-2C substituted for Sch. 5 para. 2A (with effect in accordance with s. 103(2) of the amending Act) by Finance Act 2008 (c. 9), s. 103(1)

Modifications etc. (not altering text)

C59 Sch. 5 para. 2A definitions applied by Finance Act 1991 (c. 31, SIF 63:1), s.108(1).

2B (1) No amount is to be attributed to a contributing participator under paragraph 2A(2) unless the following conditions are all met.

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- (2) The first condition is that the contributing participator is not connected with the defaulter, applying [^{F176}section 1122 of CTA 2010] (connected persons) for the purposes of this sub-paragraph.
- (3) The second condition is that, at the end of the claim period for which the claim is made, the defaulter still has an interest in the relevant oil field which, under paragraph 2(4)(b), falls to be taken into account in determining the shares in the abandonment expenditure.
- (4) The third condition is that the relevant participators have taken all reasonable steps by way of legal remedy—
 - (a) to secure that the defaulter meets the whole of the liability referred to in paragraph 2A(1)(a), and
 - (b) to enforce any guarantee or other security provided in respect of that liability.
- (5) In sub-paragraph (4) “relevant participators” means—
 - (a) each current participator (other than the defaulter), and
 - (b) each former participator who makes a default payment in respect of the defaulter's default.

Textual Amendments

F175 Sch. 5 paras. 2A-2C substituted for Sch. 5 para. 2A (with effect in accordance with s. 103(2) of the amending Act) by [Finance Act 2008 \(c. 9\), s. 103\(1\)](#)

F176 Words in [Sch. 5 para. 2B\(2\)](#) substituted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\), s. 1184\(1\), Sch. 1 para. 167](#) (with [Sch. 2](#))

- 2C (1) An amount attributed under paragraph 2A(2) is—
- (a) in the case of a current participator, to be an addition to the share of the abandonment expenditure referable to the current participator's interest in the oil field, or
 - (b) in the case of a former participator, to be the share of the abandonment expenditure referable to the former participator's interest in the oil field.
- (2) In paragraphs 2A and 2B and this paragraph—
- “abandonment expenditure” means expenditure which is allowable for an oil field by virtue of section 3(1)(i) or (j);
- “abandonment programme” means an abandonment programme approved under Part 4 of the Petroleum Act 1998 (including any such programme as revised);
- “current participator” means a person who is, by virtue of paragraph (a), [^{F177}(aa),] (b) or (c) of the definition in section 12, a participator in the relevant oil field in the chargeable period in which the abandonment expenditure is incurred;
- “former participator” means a person who—
- (a) is not a current participator, but
 - (b) was, by virtue of paragraph (a), [^{F178}(aa),] (b) or (c) of the definition in section 12, a participator in the relevant oil field in any chargeable period before the chargeable period in which the abandonment expenditure is incurred;

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“relevant agreement” has the meaning given by section 104(5)(a) of the Finance Act 1991;

“relevant oil field” means the oil field to which the abandonment expenditure relates;

“sum in default” means the amount of the payment which the defaulter is liable to make as mentioned in paragraph 2A(1)(a), [^{F179}less so much of that payment as has been made by the defaulter]

- (3) For the purposes of paragraph 2A, a current participator is to be regarded as defaulting on a liability to make a payment towards abandonment expenditure if the following conditions are met.
- (4) The first condition is that the current participator has failed to make the payment in full on the due day.
- (5) The second condition is that—
- (a) any of the payment remains unpaid on the sixtieth day after the due day, or
 - (b) before that sixtieth day, the current participator's interest in a relevant licence becomes liable under the relevant agreement to be sold or forfeited, in whole or in part, by reason of the failure to meet the liability.
- (6) In sub-paragraphs (4) and (5) “due day” means the day on which the payment towards abandonment expenditure becomes due under the relevant agreement or the abandonment programme.]

Textual Amendments

- F175** Sch. 5 paras. 2A-2C substituted for Sch. 5 para. 2A (with effect in accordance with s. 103(2) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [s. 103\(1\)](#)
- F177** Word in Sch. 5 para. 2C(2) inserted (with effect in accordance with Sch. 42 para. 4 of the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 42 para. 3\(a\)](#)
- F178** Word in Sch. 5 para. 2C(2) inserted (with effect in accordance with Sch. 42 para. 4 of the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 42 para. 3\(b\)](#)
- F179** Words in [Sch. 5 para. 2C\(2\)](#) substituted (with effect in accordance with Sch. 31 para. 23 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 31 para. 4](#)

- 3 (1) The Board shall by notice in writing to the responsible person inform him of their decision on the claim, stating in the notice—
- (a) the amount of the expenditure allowed by them on the claim;
 - (b) the amount, if any, of that expenditure allowed by them on the claim as qualifying for supplement under section 2(9)(b)(ii) of this Act; and
 - (c) the shares determined by the Board to be the shares in which, in the opinion of the Board, the amount stated under (a) above or, as the case may be, the aggregate of that amount and an amount equal to the relevant percentage of the amount stated under (b) above, is divisible between the participators for the purposes of section 2(9)(b) of this Act;
- and where the decision relates to part only of the expenditure claimed, or claimed as so qualifying, the Board shall give a further notice or notices in relation to the remainder.
- (2) In this paragraph “the relevant percentage” means the percentage mentioned in the said section 2(9)(b)(ii).

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Modifications etc. (not altering text)

- C60** See Finance (No. 2) Act 1979 (c. 47), s. 19(4) where more than one rate of uplift applies; Finance Act 1981 (c. 35), s. 111(6)
- C61** See Finance (No. 2) Act 1979 (c. 47), s. 19 where more than one rate of uplift applies

- 4 If, in a case where sub-paragraph (5) of paragraph 2 above requires a claim made for a particular claim period to give all such information as is relevant for the purpose there mentioned in relation to an asset, a claim satisfying the requirements of that sub-paragraph is not made within twelve months after the end of that period, then, in carrying into effect the provisions of section 4 of this Act in relation to that asset for that claim period, the Board may proceed according to the best of their judgment, and may make any adjustments under any of the provisions mentioned in paragraph 6(2) of Schedule 4 to this Act accordingly.

Modifications etc. (not altering text)

- C62** See Oil Taxation Act 1983 (c. 56), s. 5(7)

Appeals

- 5 (1) If—
- (a) the amount or total of the amounts stated under sub-paragraph (1)(a) of paragraph 4 above in the notice or notices given by the Board under that paragraph on a claim, or the amount or total of the amounts so stated under sub-paragraph (1)(b) of that paragraph, is less than the amount claimed; or
 - (b) the shares so stated under sub-paragraph (1)(c) of that paragraph in the notice or latest of the notices so given differ from the shares stated under paragraph 2(4)(b) above in the claim,
- the responsible person may [^{F180} appeal] by notice in writing given to the Board not more than three years after the making of the claim ^{F181}...; but the bringing of an appeal under this paragraph shall not affect the operation of any notice so given by the Board.
- (2) On an appeal [^{F182} that is notified to the tribunal] against a decision on a claim brought on the ground mentioned in sub-paragraph (1)(b) above, and in any proceedings arising out of such an appeal, any participator in the oil field to which the claim relates shall be entitled to [^{F183} be a party].
 - (3) An appeal against a decision on a claim may at any time [^{F184} before it is notified to the tribunal] be abandoned by a notice in writing given to the Board by the responsible person.
 - (4) On an appeal [^{F185} that is notified to the tribunal] against a decision on a claim, the [^{F186} tribunal] may vary the decision appealed against whether or not the variation is to the advantage of all or any of the participators in the oil field to which the claim relates.
- [^{F187}(5) The provisions of paragraphs 14A to 14I of Schedule 2 shall apply to appeals under this paragraph subject to any necessary modifications.]

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Textual Amendments

- F180** Word in Sch. 5 para. 5(1) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 77(2)(a)**
- F181** Words in Sch. 5 para. 5(1) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 77(2)(b)**
- F182** Words in Sch. 5 para. 5(2) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 77(3)(a)**
- F183** Words in Sch. 5 para. 5(2) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 77(3)(b)**
- F184** Words in Sch. 5 para. 5(3) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 77(4)**
- F185** Words in Sch. 5 para. 5(4) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 77(5)(a)**
- F186** Word in Sch. 5 para. 5(4) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 77(5)(b)**
- F187** Sch. 5 para. 5(5) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 77(6)**

Modifications etc. (not altering text)

- C63** See [Finance \(No. 2\) Act 1979 \(c. 47\)](#), s. 19 where more than one rate of uplift applies

- 6 (1) Where the responsible person gives notice of appeal against a decision on a claim on one or both of the grounds mentioned in paragraph 5(1)(a) above and, before the appeal is determined by the [^{F188}tribunal], the Board and the responsible person agree on—

- (a) the amount of the expenditure that ought to be allowed on the claim; or
- (b) the amount, if any, of the expenditure claimed which ought to be so allowed as qualifying for supplement under section 2(9)(b)(ii) of this Act,

the appropriate amount (if any) of the expenditure claimed or, as the case may be, claimed as so qualifying shall be treated for the purposes of this Part of this Act as having been allowed by the Board on the claim, and as having been so allowed on the date on which the notice of appeal was given.

For the purposes of this sub-paragraph the appropriate amount (if any) of the expenditure claimed or, as the case may be, claimed as so qualifying, is an amount thereof equal to the excess, if any, of the amount so agreed on over the corresponding amount or the total of the corresponding amounts allowed by the notice or notices previously given by the Board under paragraph 3 above.

- (2) Where the responsible person gives notice of appeal against a decision on a claim on the ground mentioned in paragraph 5(1)(b) above and, before the appeal is determined by the [^{F189}tribunal], the Board and the responsible person agree on the shares in which the amount of any expenditure allowed on the claim, or so allowed as qualifying for supplement under section 2(9)(b)(ii) of this Act, ought to be divided between the participators for the purposes of section 2(9)(b) of this Act, the shares so agreed on shall be deemed to be the shares stated in any notice previously given by the Board under paragraph 3 above on the claim, and shall apply in the case of any part of the expenditure claimed, or claimed as so qualifying, which is by virtue of this or the following paragraph treated as having been allowed on the claim;

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- (3) Where the Board and the responsible person agree on the matter mentioned in sub-paragraph (1)(a), sub-paragraph (1)(b) or sub-paragraph (2) above in the circumstances there mentioned, the corresponding ground of appeal shall be treated as having been abandoned; and where by virtue of this sub-paragraph all the grounds of the appeal fall to be so treated, the appeal itself shall be treated as having been abandoned.

Textual Amendments

- F188** Word in Sch. 5 para. 6(1) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 78**
- F189** Word in Sch. 5 para. 6(2) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 78**

Modifications etc. (not altering text)

- C64** See [Finance \(No. 2\) Act 1979 \(c. 47\)](#), s. 19 where more than one rate of uplift applies

- 7 (1) Where^[F190] on an appeal under paragraph 5 above ^[F191]that is notified to the tribunal, the tribunal determines] that any amount or part of an amount in dispute is allowable under section 3 or 4 of this Act or qualifies for supplement under section 2(9)(b)(ii) of this Act, the following provisions of this paragraph shall apply;
- (2) Subject to paragraph 8(2) below, the said amount or part shall be treated for the purposes of this Part of this Act as having been allowed on the claim to which the appeal relates, and as having been so allowed on the date on which the notice of appeal was given.
- (3) There shall be made in any computation made under section 2 of this Act, and in any assessment to tax or determination, all such adjustments as are necessary in consequence of the determination of the ^[F192]tribunal].

Textual Amendments

- F190** Punctuation in Sch. 5 para. 7(1) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 79(2)(a)**
- F191** Words in Sch. 5 para. 7(1) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 79(2)(b)**
- F192** Word in Sch. 5 para. 7(3) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 79(3)**

Modifications etc. (not altering text)

- C65** See [Oil Taxation Act 1983 \(c. 56\)](#), s. 3(6)
- C66** See [Finance \(No. 2\) Act 1979 \(c. 47\)](#), s. 19 where more than one rate of uplift applies

- 8 (1) Where—
- ^[F193](a) an appeal is made against a determination by the tribunal on an appeal under paragraph 5 above; and]
- (b) in the proceedings on the ^[F194]appeal so made], or in any proceedings arising out of those proceedings, any matter which was determined by the ^[F195]tribunal] on ^[F196]the appeal under paragraph 5 above] is finally

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determined otherwise than in accordance with their determination on that appeal,

the following provisions of this paragraph shall apply.

- (2) Any expenditure allowable under section 3 or 4 of this Act, which, if the decision of the Board on the claim to which the appeal under paragraph 5 above related had been in accordance with the final determination of that matter, would have been allowed by that decision, or allowed by it as qualifying for supplement under section 2(9)(b) (ii) of this Act, shall be treated for the purposes of this Part of this Act as having been allowed by the Board on the claim to the extent that it has not been previously allowed on the claim, and as having been so allowed to that extent on the date on which the original notice of appeal was given under paragraph 5 above.
- (3) There shall be made in any computation made under section 2 of this Act and in any assessment to tax or determination all such adjustments or further adjustments as are necessary in consequence of the final determination.
- (4) Any tax which becomes payable in consequence of any adjustment made under subparagraph (3) above in an assessment for a chargeable period shall carry interest at the [^{F197}rate applicable under section 178 of the Finance Act 1989] from [^{F198}two months] after the end of that period to the date of payment.
- (5) For the purposes of this paragraph a matter shall not be deemed to be finally determined in any such proceedings as are mentioned in subparagraph (1)(b) above until a determination thereof made in any such proceedings can no longer be varied or overruled by the order of any court [^{F199}or the tribunal].

Textual Amendments

- F193** Sch. 5 para. 8(1)(a) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 80(2)**
- F194** Words in Sch. 5 para. 8(1)(b) substituted (1.9.1994) by [S.I. 1994/1813](#), reg. 2(1), **Sch. 1 para. 19(b)(i)**
- F195** Word in Sch. 5 para. 8(1)(b) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 80(3)**
- F196** Words in Sch. 5 para. 8(1)(b) substituted (1.9.1994) by [S.I. 1994/1813](#), reg. 2(1), **Sch. 1 para. 19(b)(ii)**
- F197** Words substituted by [Finance Act 1989 \(c. 26\)](#), s. 179(1)(4) and [S.I. 1989 No. 1298 \(C. 44\)](#) for periods beginning on or after 18 August 1989
- F198** Words substituted by [Petroleum Revenue Tax Act 1980 \(c. 1, SIF 63:1\)](#), s. 2 in relation to tax charged for any period ending on or after 31 December 1979
- F199** Words in Sch. 5 para. 8(5) added (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 80(4)**

Modifications etc. (not altering text)

- C67** See [Oil Taxation Act 1983 \(c. 56\)](#), s. 3(6)
- C68** A rate of 12 per cent. prescribed by [S.I. 1979 No. 1687](#) was extended to Sch. 5 para. 8(4) by [Petroleum Revenue Tax Act 1980 \(c. 1, SIF 63:1\)](#), s. 2(3) from 1 January 1980, reduced to 8 per cent. by [S.I. 1982 No. 1587](#) from 1 December 1982 and increased to 11 per cent. by [S.I. 1985 No. 563](#) from 1 May 1985. See also [S.I. 1989 No. 1297](#) for regulations made and interest rates set under [Finance Act 1989 \(c. 26\)](#), s. 178

- [^{F200}9] (1) If [^{F201}... it appears to the Board that the relevant amount was incorrectly stated [^{F202}in a notice of a decision under paragraph 3 above given to the responsible person for an oil field], the Board may before the expiry of [^{F203}the permitted period] serve on

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the responsible Person a notice stating what appears to the Board to be the correct amount (referred to below as “the notice of variation”).

^{F204}(1A)

^{F204}(1B)

^{F204}(1C)

- (2) In this paragraph “the relevant amount”, in relation to a notice of a decision on a claim under paragraph 3 above, means any one or more of the following—
- (a) the amount of expenditure allowed on the claim;
 - (b) the amount of that expenditure allowed as qualifying for supplement under section 2(9)(b)(ii) of this Act;
 - (c) where different percentages were stated in that notice to apply to different parts of that expenditure for the purpose of calculating the supplement, each of those parts of that expenditure.

^{F205}(2A)

^{F206}(2B) [In this paragraph “permitted period” means the period of 4 years beginning with the date on which the notice of the decision under paragraph 3 was given (but see sub-paragraph (2C)).

- (2C) Where the relevant amount was overstated in the notice of decision as a result of an inaccuracy in a statement or declaration made by the responsible person (or a person acting on behalf of the responsible person) in connection with the claim—
- (a) if the inaccuracy was careless, the permitted period is extended to 6 years, and
 - (b) if the inaccuracy was deliberate, the permitted period is extended to 20 years.]

(3) The responsible person may, by notice in writing given to the Board not more than thirty days after the notice of variation was served on him, appeal ^{F207}... against the notice of variation.

(4) A notice of appeal under sub-paragraph (3) shall state the grounds on which the appeal is brought.

(5) An appeal under this paragraph may at any time [^{F208}before it is notified to the tribunal] be abandoned by notice in writing given to the Board by the responsible person.

(6) A notice of variation may be withdrawn at any time before it becomes effective.

(7) In any case where—

- (a) the responsible person gives notice of appeal against a notice of variation, and
- (b) before the appeal is determined by the [^{F209}tribunal], the Board and the responsible person agree as to what the relevant amount ought to be,

the notice of variation shall have effect subject to such modifications as may be necessary to give effect to that agreement; and thereupon the appeal shall be treated as having been abandoned.

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- (8) On an appeal [^{F210}that is notified to the tribunal] against a notice of variation the [^{F211}tribunal] may vary the notice, quash the notice or dismiss the appeal; and the notice may be varied whether or not the variation is to the advantage of all or any of the participators in the oil field in question.
- (9) Where a notice of variation relating to a decision on a claim becomes effective, the relevant amount shall be taken for the purposes of this Part of this Act as having been reduced or increased, as the case may require, on the date on which notice of the decision was given, by such amount as may be necessary to give effect to that notice, and the Board may make such computations under section 2 of this Act and such assessments or determinations or such amendments of assessments or determinations as may be necessary in consequence of that reduction or increase.
- (10) A notice of variation becomes effective for the purposes of this paragraph either—
- (a) on the expiry of the period during which notice of appeal against the notice of variation may be given ^{F212}... under sub-paragraph (3) above without such notice of appeal being given; or
 - (b) where such notice of appeal is given, when the notice of variation can no longer be varied or quashed by the [^{F213}tribunal] or by the order of any court.
- ^{F214}(11)
- [For the purposes of this section, an inaccuracy in a statement or declaration made ^{F215}(12) by the responsible person (or a person acting on behalf of the responsible person) is careless if it is due to a failure by the person to take reasonable care.
- (13) An inaccuracy in a statement or declaration made by the responsible person (or a person acting on behalf of the responsible person) is to be treated as careless if—
- (a) the responsible person, the person who acted on behalf of the responsible person or any person who becomes the responsible person for the oil field after the statement or declaration is made discovers the inaccuracy some time after it is made, and
 - (b) that person fails to take reasonable steps to inform Her Majesty's Revenue and Customs.]]

Textual Amendments

- F200** Sch. 5 para. 9 added by [Finance Act 1983 \(c. 49\), s. 40\(1\)](#)
- F201** Words in Sch. 5 para. 9(1) omitted (1.4.2011) by virtue of [Finance Act 2009 \(c. 10\), s. 99\(2\), Sch. 51 para. 24\(2\)\(a\)](#); S.I. 2010/867, art. 2(2)
- F202** Words in Sch. 5 para. 9(1) substituted (1.4.2011) by [Finance Act 2009 \(c. 10\), s. 99\(2\), Sch. 51 para. 24\(2\)\(b\)](#); S.I. 2010/867, art. 2(2)
- F203** Words in Sch. 5 para. 9(1) substituted (1.4.2011) by [Finance Act 2009 \(c. 10\), s. 99\(2\), Sch. 51 para. 24\(2\)\(c\)](#); S.I. 2010/867, art. 2(2)
- F204** Sch. 5 para. 9(1A)-(1C) omitted (1.4.2011) by virtue of [Finance Act 2009 \(c. 10\), s. 99\(2\), Sch. 51 para. 24\(3\)](#); S.I. 2010/867, art. 2(2)
- F205** Sch. 5 para. 9(2A) omitted (1.4.2011) by virtue of [Finance Act 2009 \(c. 10\), s. 99\(2\), Sch. 51 para. 24\(3\)](#); S.I. 2010/867, art. 2(2)
- F206** Sch. 5 para. 9(2B)(2C) inserted (1.4.2011) by [Finance Act 2009 \(c. 10\), s. 99\(2\), Sch. 51 para. 24\(4\)](#); S.I. 2010/867, art. 2(2)
- F207** Words in Sch. 5 para. 9(3) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\), art. 1\(2\), Sch. 1 para. 81\(2\)](#)

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- F208** Words in Sch. 5 para. 9(5) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 81(3)**
- F209** Word in Sch. 5 para. 9(7) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 81(4)**
- F210** Words in Sch. 5 para. 9(8) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 81(5)(a)**
- F211** Word in Sch. 5 para. 9(8) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 81(5)(b)**
- F212** Words in Sch. 5 para. 9(10)(a) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 81(6)**
- F213** Word in Sch. 5 para. 9(10)(b) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 81(7)**
- F214** Sch. 5 para. 9(11) omitted (1.4.2011) by virtue of [Finance Act 2009 \(c. 10\)](#), s. 99(2), **Sch. 51 para. 24(5)**; [S.I. 2010/867](#), art. 2(2)
- F215** Sch. 5 para. 9(12)(13) inserted (1.4.2011) by [Finance Act 2009 \(c. 10\)](#), s. 99(2), **Sch. 51 para. 24(6)**; [S.I. 2010/867](#), art. 2(2)

Modifications etc. (not altering text)

- C69** See [Oil Taxation Act 1983 \(c. 56\)](#), s. 14 in relation to the re-opening of decisions for claim periods ending on or after 30 June 1982
- C70** Sch. 5 para. 9 modified (3.5.1994) by [1994 c. 9](#), ss. 231, 232(8)(a), 234, [Sch. 22 paras. 9\(4\), 10, 11](#)

[^{F216}10 In this Schedule “tribunal” means the First-tier Tribunal or, where determined by or under Tribunal Procedure Rules, the Upper Tribunal.]

Textual Amendments

- F216** [Sch. 5 para. 10](#) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 82**

SCHEDULE 6

Sections 3 and 4.

ALLOWANCE OF EXPENDITURE (OTHER THAN ABORTIVE
 EXPLORATION EXPENDITURE) ON CLAIM BY PARTICIPATOR

Modifications etc. (not altering text)

- C71** [Sch. 6](#) extended with modifications by [Finance Act 1991 \(c. 31, SIF 63:1\)](#), s.108(6).

- 1 (1) A claim for the allowance of any expenditure allowable under section 3 or 4 of this Act for an oil field may be made to the Board under this Schedule by the participator who incurred it (instead of under Schedule 5 to this Act by the responsible person for that field) if the participator satisfies the Board that, for reasons of trade secrecy, it would be unreasonable for him to have to provide the responsible person with the information necessary for the making of a claim under that Schedule.
- (2) A claim by a participator under this Schedule for the allowance of any such expenditure incurred by him must, subject to the provisions of this Part of this Act, be made in a claim or claims for the claim period in which the expenditure is incurred,

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but may not be made before the determination of the field or more than [^{F217}4 years] after the end of the claim period in which the expenditure is incurred.

- (3) A claim by a participator under this Schedule for the allowance of any such expenditure incurred by him before he became a participator in the field must be made in a claim for the claim period in which he became a participator.

Textual Amendments

F217 Words in Sch. 6 para. 1(2) substituted (1.4.2011) by Finance Act 2009 (c. 10), s. 99(2), Sch. 51 para. 25(2); S.I. 2010/867, art. 2(2)

Modifications etc. (not altering text)

C72 See Oil Taxation Act 1983 (c. 56), s. 3(6)

C73 See Finance Act 1982 (c. 39), s. 135(1)(c) in relation to any case where oil was won before the date of determination

- 2 The provisions of Schedule 5 to this Act specified in the first column of the following Table shall apply in relation to a claim under this Schedule as they apply in relation to a claim under that Schedule subject to any modifications specified in the second column of that Table and with the substitution, for references to the responsible person, of references to the participator by whom the claim under this Schedule is made and, for references to section 2(9)(b)(ii) of this Act, of references to section 2(9)(c)(ii) of this Act.

TABLE

<i>Provisions applied</i>	<i>Modifications</i>
Paragraph	
2(3)	For the reference to this Schedule substitute a reference to Schedule 5 to this Act.
2(4)	Omit paragraph (b).
2(5)	
2(6)	
[^{F218} 2(7)]	[^{F218} For the reference to paragraph 5 of Schedule 2 to this Act substitute a reference to paragraph 2 of that Schedule; for the reference to paragraph 2(1) of Schedule 5 to this Act substitute a reference to paragraph 1(2) of this Schedule.]
[^{F218} 2(8)]	
3(1)	Omit paragraph (c).
4	
5(1)	Omit paragraph (b).

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5(3)	
5(4)	For the reference to all or any of the participators substitute a reference to the participator by whom the claim is made.
[^{F219} 5(5)]	—]
6(1)	
6(3)	Omit the reference to paragraph 6(2).
7	
8	
9	F220
	. . .

Textual Amendments

- F218** Sch. 6 para. 2: entries inserted (27.7.1999 with application in relation to chargeable period ending on or after 30.6.1999) by 1999 c. 16, s. 102(5)(8)
- F219** Word in Sch. 6 para. 2 inserted (1.4.2009) by The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56), art. 1(2), Sch. 1 para. 83(2)
- F220** Words in Sch. 6 para. 2 omitted (1.4.2011) by virtue of Finance Act 2009 (c. 10), s. 99(2), Sch. 51 para. 25(3); S.I. 2010/867, art. 2(2)

SCHEDULE 7

Section 5.

ALLOWANCE OF ABORTIVE EXPLORATION EXPENDITURE

- 1 (1) A claim for the allowance, in connection with an oil field,
- [^{F221}(a) of any abortive exploration expenditure allowable under section 5 of this Act, or
 - (b) of any exploration and appraisal expenditure allowable under section 5A of this Act], [^{F222}or]
 - [^{F223}(c) of any research expenditure allowable under section 5B of this Act]
- in the case of a participator in that field must be made by the participator to the Board, . . . ^{F224}
- (2) Where a claim under this Schedule has been made and the participator by whom it was made subsequently discovers that an error or mistake has been made in the claim, he may make a supplementary claim . . . ^{F224}
- (3) The provisions of Schedule 5 to this Act specified in the first column of the following Table shall apply in relation to a claim under this Schedule as they apply in relation to a claim under that Schedule, subject to any modifications specified in the second column of that Table and with the substitution, for references to the responsible person, of references to the participator by whom the claim under this Schedule is

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made and, for references to section 3 or 4 of this Act, of references to section 5 [^{F225}or, as the case may be, section 5A [^{F226}or section 5B]] of this Act.

TABLE

<i>Provisions applied</i>	<i>Modifications</i>
Paragraph	
2(6)	
3(1)	Omit paragraphs (b) and (c).
5(1)	Omit the words from “or the amount” to “(1)(b) of that paragraph” and paragraph (b).
5(3)	
5(4)	For the reference to all or any of the participators substitute a reference to the participator by whom the claim is made.
[^{F227} 5(5)]	—]
6(1)	For “one or both of the grounds” substitute “the ground”, and omit paragraph (b) and the words “or, as the case may be, claimed as so qualifying” (wherever occurring).
6(3)	Omit “sub-paragraph (1)(b) or sub-paragraph (2)”, and for the words from “the corresponding” to “itself” substitute “the appeal”.
7	In sub-paragraph (1), omit the words from “or qualifies” to “2(9)(b)(ii) of this Act”.
8	In sub-paragraph (2), omit the words from “or allowed by it” to “section 2(9)(b)(ii) of this Act”.
[^{F228} 9]	[^{F228} ^{F229} In sub-paragraph (2) omit paragraphs (b) and (c) ^{F229} ..., in sub-paragraph (8) for the reference to all or any of the participators substitute a reference to the participator by whom the claim is made ^{F230}]

Textual Amendments

F221 Sch. 7 para. 1(1)(a)(b) substituted for words by [Finance Act 1983 \(c. 49\), s. 37\(2\)](#) and Sch. 8 Part II para. 6(1)

F222 Word inserted by [Finance Act 1987 \(c. 16\), s. 64\(2\)](#) and Sch. 13 Part II para. 5

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- F223** Sch. 7 para. 1(1)(c) inserted by Finance Act 1987 (c. 16), s. 64(2) and Sch. 13 Part II para. 5
- F224** Words repealed by Finance Act 1983 (c. 49), ss. 37(4), 48(5) and Sch. 10 Part III and deemed always to have been omitted
- F225** Words inserted by Finance Act 1983 (c. 49), s. 37(2) and Sch. 8 Part II para. 6(2)
- F226** Words inserted by Finance Act 1987 (c. 16), s. 64(2) and Sch. 13 Part II para. 5
- F227** Word in Sch. 7 para. 1(3) inserted (1.4.2009) by The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56), art. 1(2), Sch. 1 para. 84(2)
- F228** Words added by Finance Act 1987 (c. 16, SIF 63:1), s. 67
- F229** Words in Sch. 7 para. 1(3) omitted (1.4.2011) by virtue of Finance Act 2009 (c. 10), s. 99(2), Sch. 51 para. 26(a); S.I. 2010/867, art. 2(2)
- F230** Words in Sch. 7 para. 1(3) omitted (1.4.2011) by virtue of Finance Act 2009 (c. 10), s. 99(2), Sch. 51 para. 26(b); S.I. 2010/867, art. 2(2)

SCHEDULE 8

Section 6.

ALLOWANCE OF UNRELIEVABLE FIELD LOSS

Modifications etc. (not altering text)

- C74** See also Finance Act 1982 (c. 39), s. 139(6) and Sch. 19 para. 17 as regards repayment of APRT

Reference and determination of question of abandonment of oil field

- 1 Where it appears to the responsible person for an oil field that the winning of oil from the field has permanently ceased he may by notice in writing given to the Board refer to them for their decision the question whether the winning of oil from that field has permanently ceased.
- 2 (1) The Board shall, by notice in writing given to the responsible person, inform him of their decision on the question and, if their decision is that the winning of oil has so ceased, shall state the date which they are satisfied is that on which the winning of oil from the field in question ceased.
- (2) The responsible person shall, within one month of his receiving a notice under sub-paragraph (1) above informing him of the Board's decision, furnish a copy of that notice to every person who was at any time a participator in the field in question.
- 3 (1) The responsible person may appeal ^{F231}... against the Board's decision by notice in writing given to the Board within three months of his receiving the notice under paragraph 2(1) above informing him thereof.
- (2) An appeal under sub-paragraph (1) above may at any time [^{F232}before it is notified to the tribunal] be abandoned by notice in writing given to the Board by the responsible person.
- [^{F233}(3) The provisions of paragraphs 14A to 14I of Schedule 2 shall apply to appeals under this paragraph subject to any necessary modifications.]

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

Textual Amendments

- F231** Words in Sch. 8 para. 3(1) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 85(2)**
- F232** Words in Sch. 8 para. 3(2) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 85(3)**
- F233** Sch. 8 para. 3(3) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 85(4)**

Claims by participators for allowance of unrelievable field losses

- 4 (1) A claim for the allowance, in connection with an oil field, of any unrelievable field loss allowable under section 6 of this Act in the case of a participator in that field must be made by the participator to the Board [^{F234}at any time after]the date of the decision (whether of the Board or on appeal from the Board) that the winning of oil from the oilfield in the case of which the loss accrued has permanently ceased ^{F235} . . .
- (2) Where a claim under this Schedule has been made and the participator by whom it was made subsequently discovers that an error or mistake has been made in the claim, he may make a supplementary claim ^{F236} . . .
- (3) The provisions of Schedule 5 to this Act specified in the first column of the Table set out in paragraph 1(3) of Schedule 7 to this Act shall apply in relation to a claim under this Schedule as they apply in relation to a claim under the said Schedule 5, subject to any modifications specified in the second column of that Table and with the substitution, for references to the responsible person, of references to the participator by whom the claim under this Schedule is made, for references to the claiming or allowance of expenditure, of references to the claiming or allowance of an unrelievable field loss and, for references to section 3 or 4 of this Act, of references to section 6 of this Act.

Textual Amendments

- F234** Words in [Sch. 8 para. 4\(1\)](#) substituted (1.5.1995) by [1995 c. 4, s. 147\(1\)\(a\)](#)
- F235** Words in [Sch. 8 para. 4\(1\)](#) repealed (1.5.1995) by [1995 c. 4, ss. 147\(1\)\(2\), 162](#), **Sch.29 Pt. IX**
- F236** Words in [Sch. 8 para. 4\(2\)](#) repealed (1.5.1995) by [1995 c. 4, ss. 147\(1\)\(b\), 162](#), **Sch. 29 Pt. IX**

SCHEDULE

9.

F237

Textual Amendments

- F237** [Sch. 9](#) repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), **s. 844** and [Sch. 31](#)

Changes to legislation:

There are currently no known outstanding effects for the Oil Taxation Act 1975.