



Oil Taxation Act 1975

1975 CHAPTER 22

PART I

PETROLEUM REVENUE TAX

1 Petroleum revenue tax.

- (1) A tax, to be known as petroleum revenue tax, shall be charged in accordance with this Part of this Act in respect of profits from oil won under the authority of a licence granted under either [^{F1}Part I of the Petroleum Act 1998] or the ^{M1}Petroleum (Production) Act (Northern Ireland) 1964; and in this Part of this Act “oil” means any substance so won or capable of being so won other than methane gas won in the course of operations for making and keeping mines safe.
- (2) For each oil field [^{F2}which is a taxable field] the tax shall, in the case of each participator, be charged at the rate of [^{F3}[^{F4}0] per cent.] on the assessable profit accruing to him in any chargeable period from that field, as reduced under section 7 of this Act by any allowable losses and under section 8 of this Act by reference to his share, if any, of the oil allowance for that period, subject however to the limit imposed in his case by section 9 of this Act.
- (3) In relation to any oil field—
 - (a) the first chargeable period is the period ending at the end of the critical half year (including an unlimited time prior to the beginning of that half year); and
 - (b) each subsequent half year is a chargeable period.
- (4) In this section—

“the critical half year”, in relation to an oil field, means the first half year ending after 12th November 1974 at the end of which the total amount of oil ever won and saved from the field exceeds 1,000 [^{F5}metric tonnes] (counting [^{F5}1,100 cubic metres] of gas at a temperature of 15 degrees centigrade and pressure of one atmosphere as equivalent to one [^{F5}metric tonne]);

“half year” means a period of six months ending at the end of June or December.

*Changes to legislation: There are currently no known outstanding effects
 for the Oil Taxation Act 1975, Section 1. (See end of Document for details)*

- (5) Schedule 1 to this Act shall have effect with respect to the determination of oil fields, and Schedule 2 to this Act shall have effect with respect to the management and collection of the tax; and this Part of this Act shall have effect subject to the further provisions in Schedule 3 to this Act and, in connection with certain gas sold to the British Gas Corporation, to section 10 of this Act.

Textual Amendments

- F1** Words in s. 1(1) substituted (15.2.1999) by 1998 c. 17, s. 50, **Sch. 4 para. 7(2)** (with Sch. 3 para. 5(1)); S.I. 1999/161, **art. 2(1)**
- F2** Words in s. 1(2) inserted (27.7.1993) by 1993 c. 34, **s. 185(4)(a)**
- F3** Words substituted by **Finance Act 1982 (c. 39), s. 132(1)** in relation to chargeable periods ending after 31 December 1982
- F4** Word in s. 1(2) substituted (with effect in accordance with s. 140(4) of the amending Act) by **Finance Act 2016 (c. 24), s. 140(1)**
- F5** Words substituted by **Finance (No. 2) Act 1979 (c. 47), s. 21(2)** in relation to chargeable periods and half years ending after 31 December 1978

Modifications etc. (not altering text)

- C1** See **Oil Taxation Act 1983 (c. 56), s. 12(5)** in relation to the charge of receipts attributable to the U.K. use of foreign fields assets received or receivable after 30 June 1982 and Sch. 1 para. 1(4) in relation to expenditure on associated assets used in connection with an external field
- C2** See **Finance Act 1982 (c. 39), s. 135(1)**
- C3** Definition applied for purposes of **Income and Corporation Taxes Act 1988 (c. 1), s. 500(5)** Deduction of PRT in computing income for corporation tax purposes

Marginal Citations

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

Changes to legislation:

There are currently no known outstanding effects for the Oil Taxation Act 1975, Section 1.