

## SCHEDULES

### SCHEDULE 8

#### RELIEFS FOR EXPLORATION AND APPRAISAL EXPENDITURE ETC.

#### PART III

##### RECEIPTS TO BE SET AGAINST ALLOWABLE EXPENDITURE

- 10 In this Part of this Schedule—
- "allowable expenditure" means expenditure which, in accordance with section 5 or section 5A of the principal Act, is allowable on a claim made by a participator under Schedule 7 to that Act; and
- "qualifying receipt" means a sum the amount of which falls, by virtue of subsection (6) of section 5 of the principal Act, to be applied by way of reduction in the amount of expenditure which would otherwise be allowable expenditure.
- 11 (1) A return made by a participator for a chargeable period under paragraph 2 of Schedule 2 to the principal Act shall give details of any qualifying receipt (whether received by him or by a person connected with him) of which details have not been given in a return made by him for an earlier chargeable period.
- (2) Section 533 of the Taxes Act (connected persons) applies for the purposes of this paragraph.
- 12 (1) This paragraph applies where—
- (a) a claim for allowable expenditure has been made by a participator under Schedule 7 to the principal Act; and
- (b) as a result of the receipt (whether before or after the making of the claim) of a qualifying receipt, the amount allowed by way of allowable expenditure on the claim exceeds what it should have been.
- (2) In determining, in a case where this paragraph applies, the assessable profit or allowable loss accruing to the participator in the chargeable period in which the qualifying receipt is received, the amount of the excess referred to in sub-paragraph (1)(b) above shall be taken into account under section 2 of the principal Act as an amount which is to be included among the positive amounts referred to in subsection (3)(a) of that section.
- (3) In the application of section 9 of the principal Act (limit on amount of tax payable) to a chargeable period in respect of which sub-paragraph (2) above applies, the amount of the excess referred to in sub-paragraph (1)(b) above shall be deducted from the amount which would otherwise be the total ascertained under subsection (2)(a)(ii) of that section and, if the amount of that excess is greater than the amount which would otherwise be that total, that total shall be a negative amount equal to the difference.