



Finance Act 1988

1988 CHAPTER 39

PART IV

MISCELLANEOUS AND GENERAL

Petroleum revenue tax

138 Reduced oil allowance for certain Southern Basin and onshore fields.

- (1) For every relevant Southern Basin or onshore field, as defined in subsection (2) below, section 8 of the ^{M1}Oil Taxation Act 1975 (the oil allowance) shall have effect subject to the following modifications—
 - (a) in subsection (2) (the amount of the allowance for each chargeable period) for “250,000 metric tonnes” there shall be substituted “ 125,000 metric tonnes ”; and
 - (b) in subsection (6) (the total allowance for a field) for “5 million metric tonnes” there shall be substituted “ 25 million metric tonnes ”.
- (2) Subject to subsection (3) below, for the purposes of this section a “relevant Southern Basin or onshore field” is any oil field other than one—
 - (a) which is a relevant new field for the purposes of section 36 of the ^{M2}Finance Act 1983 (increased oil allowance for certain new fields); or
 - (b) for any part of which consent for development was granted to the licensee by the Secretary of State before 1st April 1982; or
 - (c) for any part of which a programme of development was served on the licensee or approved by the Secretary of State before that date.
- (3) In determining, in accordance with subsection (2) above, whether an oil field (in this subsection referred to as “the field in question”) is a relevant Southern Basin or onshore field, no account shall be taken of a consent for development granted before 1st April 1982 or a programme of development served on the licensee or approved by the Secretary of State before that date if—

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1988, Cross Heading: Petroleum revenue tax. (See end of Document for details)

- (a) in whole or in part that consent or programme related to another oil field for which a determination under Schedule 1 to the ^{M3}Oil Taxation Act 1975 was made before the determination under that Schedule for the field in question; and
- (b) on or after 1st April 1982, a consent for development is or was granted or a programme of development is or was served on the licensee or approved by the [^{F1}OGA] and that consent or programme relates, in whole or in part, to the field in question.
- (4) Subsections (4) and (5) of section 36 of the Finance ^{M4}Act 1983 (which define “development” for the purposes of subsections (2) and (3) of that section) shall apply also for the purposes of subsections (2) and (3) of this section.
- (5) This section shall have effect in relation to chargeable periods ending after 30th June 1988.
- (6) This section shall be construed as one with Part I of the ^{M5} Oil Taxation Act 1975.

Textual Amendments

- F1** Word in s. 138(3)(b) substituted (1.10.2016) by [The Petroleum \(Transfer of Functions\) Regulations 2016 \(S.I. 2016/898\)](#), regs. 1(2), **10**
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Marginal Citations

- M1** 1975 c. 22.
M2 1983 c. 28.
M3 1975 c. 22.
M4 1983 c. 28.
M5 1975 c. 22.

139 ^{X1}**Assets generating tariff receipts: extension of allowable expenditure.**

- (1) In Part I of Schedule 1 to the ^{M6}Oil Taxation Act 1983 (extensions of allowable expenditure for assets generating receipts) paragraph 3 (expenditure on enhancing the value of assets no longer in use for the principal field) shall be amended as follows—
- (a) in sub-paragraph (1)(a) after the words “enhancing the value of” there shall be inserted “ or otherwise in connection with ”;
- (b) in sub-paragraph (1)(d) for the words “the expenditure” there shall be substituted “ either the use of the asset ” and after the words “tariff receipts or” there shall be inserted “ the expenditure ”.
- (2) This section shall have effect with respect to expenditure incurred on or after 15th March 1988.

Editorial Information

- X1** The text of s. 139 is in the form in which it was originally enacted; it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.
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Marginal Citations

- M6** 1983 c. 56.

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