



# Capital Allowances Act 2001

## 2001 CHAPTER 2

### PART 2

#### PLANT AND MACHINERY ALLOWANCES

### CHAPTER 13

#### PROVISIONS AFFECTING MINING AND OIL INDUSTRIES

#### *Transfers of interests in oil fields: anti-avoidance*

#### **166 Transfers of interests in oil fields: anti-avoidance**

- (1) This section applies if—
  - (a) there is, for the purposes of Schedule 17 to FA 1980, a transfer by a participator in an oil field of the whole or part of his interest in the field, and
  - (b) as part of the transfer, the old participator disposes of, and the new participator acquires—
    - (i) plant or machinery used, or expected to be used, in connection with the field, or
    - (ii) a share in such plant or machinery.
- (2) The amount, if any, by which the new participator's expenditure exceeds the old participator's disposal value is to be left out of account in determining the new participator's available qualifying expenditure.
- (3) In subsection (2)—
  - (a) "the new participator's expenditure" means the expenditure incurred by the new participator on the acquisition of the plant or machinery, and
  - (b) "the old participator's disposal value" means the disposal value to be brought into account by the old participator as a result of the disposal of the plant or machinery to the new participator.

---

**Changes to legislation:** *There are currently no known outstanding effects for the Capital Allowances Act 2001, Cross Heading: Transfers of interests in oil fields: anti-avoidance. (See end of Document for details)*

---

- (4) In this section—
- (a) “oil field” and “participator” have the same meaning as in Part I of OTA 1975,
  - (b) “the old participator” means the participator whose interest in the oil field is wholly or partly transferred, and
  - (c) “the new participator” means the person to whom the interest in the oil field is transferred.
- (5) Nothing in this section affects the operation of Chapter 17 (anti-avoidance).

**Changes to legislation:**

There are currently no known outstanding effects for the Capital Allowances Act 2001, Cross  
Heading: Transfers of interests in oil fields: anti-avoidance.