

## SCHEDULES

### SCHEDULE 27

#### MEANING OF “OFFSHORE INSTALLATION”

#### PART 2

#### MINOR AND CONSEQUENTIAL AMENDMENTS

##### *The Taxes Act 1988*

- 4 (1) Chapter 3 of Part 7 of the Taxes Act 1988 (enterprise investment scheme) is amended as set out in sub-paragraphs (2) to (4).
- (2) In section 293 (qualifying companies), in subsection (3C)(b) for “oil rigs” substitute “offshore installations”.
- (3) In section 297 (qualifying trades), in subsection (6) for “oil rigs” substitute “offshore installations”.
- (4) In section 298 (provisions supplementary to sections 293 and 297), in subsection (5) omit the definition of “oil rig”.
- (5) This paragraph has effect in relation to shares issued on or after 6th April 2004.
- (6) Nothing in this paragraph affects the operation of any of the following provisions in relation to shares issued before that date—
- (a) Chapter 3 of Part 7 of the Taxes Act 1988 (enterprise investment scheme);
  - (b) sections 573 and 574 of that Act (relief for losses on unlisted shares in trading companies);
  - (c) Schedule 5B to the Taxation of Chargeable Gains Act 1992 (c. 12) (enterprise investment scheme: re-investment).
- 5 (1) Schedule 28B to the Taxes Act 1988 (venture capital trusts) is amended as set out in sub-paragraphs (2) to (4).
- (2) In paragraph 3 (requirements as to company’s business), in sub-paragraph (8)(b) for “oil rigs” substitute “offshore installations”.
- (3) In paragraph 4 (qualifying trades), in sub-paragraph (7) for “oil rigs” substitute “offshore installations”.
- (4) In paragraph 5 (provisions supplemental to paragraph 4), in sub-paragraph (1) omit the definition of “oil rig”.
- (5) This paragraph has effect for the purpose of determining whether shares or securities issued on or after 6th April 2004 are, for the purposes of section 842AA of the Taxes Act 1988, to be regarded as comprised in a company’s qualifying holdings.

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*Status: This is the original version (as it was originally enacted).*

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- (6) Nothing in this paragraph affects the operation of Schedule 28B to the Taxes Act 1988 as it has effect for the purpose of determining whether shares or securities issued before that date are, for the purposes of section 842AA of the Taxes Act 1988, to be regarded as comprised in a company’s qualifying holdings.

*Finance Act 2000 (c. 17)*

- 6 (1) Schedule 15 to the Finance Act 2000 (the corporate venturing scheme) is amended as set out in sub-paragraphs (2) to (4).
- (2) In paragraph 23 (the trading activities requirement), in sub-paragraph (8)(a)(i) for “oil rigs” substitute “offshore installations”.
- (3) In paragraph 28 (excluded activities: leasing of ships), in sub-paragraph (1) for “oil rigs” substitute “offshore installations”.
- (4) In paragraph 28(6) omit the definition of “oil rig”.
- (5) This paragraph has effect in relation to shares issued on or after 6th April 2004.
- (6) Nothing in this paragraph affects the operation of Schedule 15 to the Finance Act 2000 in relation to shares issued before that date.
- 7 (1) In Schedule 22 to the Finance Act 2000 (tonnage tax), in paragraph 20 (vessels excluded from being qualifying ships) omit sub-paragraph (5).
- (2) This paragraph has effect for accounting periods ending on or after 1st April 2004.

*Capital Allowances Act 2001 (c. 2)*

- 8 In section 94 of the Capital Allowances Act 2001 (expenditure on ships that is not long-life asset expenditure) omit subsections (2)(b) and (3).
- 9 (1) Section 153 of the Capital Allowances Act 2001 (ships that are not qualifying ships) is amended as follows.
- (2) For subsection (2) substitute—
- “(2) A ship is not a qualifying ship at any time when it is an offshore installation.”
- (3) Omit subsection (3).
- 10 In Part 2 of Schedule 1 to the Capital Allowances Act 2001 (index of defined expressions) at the appropriate place insert—

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“offshore installation (except in Chapter section 837C of ICTA”  
 13 of Part 2)

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- 11 (1) Paragraphs 8 to 10 have effect—
- (a) for income tax purposes, as respects allowances and charges falling to be made for chargeable periods ending on or after 6th April 2004;
- (b) for corporation tax purposes, as respects allowances and charges falling to be made for chargeable periods ending on or after 1st April 2004.
- (2) In this paragraph “chargeable period” has the meaning given by section 6 of the Capital Allowances Act 2001.

*Income Tax (Earnings and Pensions) Act 2003 (c. 1)*

12 In section 40 of the Income Tax (Earnings and Pensions) Act 2003 (duties on board vessel or aircraft), in subsection (5) for paragraph (b) (meaning of ship) substitute—  
“(b) “ship” does not include an offshore installation;”.

13 In section 305 of the Income Tax (Earnings and Pensions) Act 2003 (offshore oil and gas workers: mainland transfers), in subsection (6) omit the definition of “offshore installation”.

14 For section 385 of the Income Tax (Earnings and Pensions) Act 2003 substitute—

**“385 Meaning of “ship”**

In this Chapter “ship” does not include an offshore installation.”

15 In Part 2 of Schedule 1 to the Income Tax (Earnings and Pensions) Act 2003 (index of defined expressions) at the appropriate place insert—

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“offshore installation	section 837C of ICTA”
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16 Paragraphs 12 to 15 have effect for the year 2004-05 and subsequent years of assessment.

17 (1) Schedule 5 to the Income Tax (Earnings and Pensions) Act 2003 (enterprise management incentives) is amended as follows.

(2) In paragraph 18 (excluded activities: leasing of certain ships), in sub-paragraph (1) for “oil rigs” substitute “offshore installations”.

(3) In paragraph 18(2) for “oil rig” substitute “offshore installation”.

(4) In paragraph 18(8) omit the definition of “oil rig”.

(5) In paragraph 59 (index of defined expressions) at the appropriate place insert—

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“offshore installation	section 837C of ICTA”
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(6) This paragraph has effect in relation to a right to acquire shares in a company granted on or after 6th April 2004.

(7) Nothing in this paragraph affects the operation of Schedule 5 to the Income Tax (Earnings and Pensions) Act 2003 in relation to a right to acquire shares in a company granted before that date.