
Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2004. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

SCHEDULES

SCHEDULE 5

PROVISION NOT AT ARM'S LENGTH: RELATED AMENDMENTS

Income and Corporation Taxes Act 1988

Petroleum extraction activities: ring fence trade: charges on income

- 3 (1) Section 494 of the Taxes Act 1988 (charges on income) is amended as follows.
- (2) In subsection (2) (which restricts the loan relationship debits that may be brought into account in a manner resulting in reduction of ring fence profits)—
- ^{F1}(a)
- (b) omit paragraph (d) (which imposes a restriction by reference to a reasonable commercial rate of return and is superseded by the application of paragraphs 1A and 1B of Schedule 28AA to the Taxes Act 1988 by virtue of paragraph 11 of that Schedule);
- (c) omit the third sentence (which defines “net debit” for the purposes of paragraph (d)).
- (3) Omit subsection (2B) (which relates to the net debit within the meaning of subsection (2)(d)).

Textual Amendments

- F1** Sch. 5 para. 3(2)(a) repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 236ZA inserted by [S.I. 2024/357 art. 2\(2\)](#)