



Finance Act 2006

2006 CHAPTER 25

PART 3

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 9

MISCELLANEOUS PROVISIONS

Nuclear decommissioning

100 Amendment of section 30 of the Energy Act 2004

- (1) Section 30 of the Energy Act 2004 (disregard for tax purposes of decommissioning provisions recognised by Nuclear Decommissioning Authority) is amended as follows.
- (2) In subsection (1)—
 - (a) for paragraph (b) substitute—
 - “(b) that responsibility—
 - (i) includes the financial responsibility under section 21, or
 - (ii) would do so but for the fact that the amount of the financial responsibility is for the time being subject to a limit imposed by a capping agreement;”;
 - (b) in paragraph (c) omit “on the coming into force of the direction mentioned in paragraph (a),”;
 - (c) at the end of that paragraph insert “; and
 - (d) the provision is recognised—
 - (i) in order to reflect the coming into force of the direction mentioned in paragraph (a), or

Changes to legislation: *There are currently no known outstanding effects for the Finance Act 2006, Section 100. (See end of Document for details)*

(ii) in consequence of the variation or removal of a limit on the NDA's financial responsibility under section 21 imposed by a capping agreement.”

(3) For subsection (3) substitute—

“(3) In computing the profits, gains or losses of the NDA for the purposes of corporation tax, no amount shall be brought into account in connection with—

(a) the recognition made in the accounts of the NDA of—

(i) the relevant provision, or

(ii) an asset that, in accordance with generally accepted accounting practice, is recognised in order to reflect a limit on the NDA's financial responsibility under section 21 imposed by a capping agreement;

(b) any adjustment made in those accounts (including the removal from the accounts of an asset falling within paragraph (a)(ii)) in consequence of a variation or removal of the limit mentioned in paragraph (a)(ii).”

(4) In subsection (4), for the words after “in connection with” substitute “ an adjustment not falling within paragraph (b) of that subsection ”.

(5) In subsection (5), after the definition of “BNFL company” insert—

““capping agreement” has the same meaning as in section 29;”.

(6) The amendments made by this section have effect in relation to accounting periods of the Nuclear Decommissioning Authority ending on or after 22nd March 2006.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2006, Section 100.