



Finance Act 2012

2012 CHAPTER 14

PART 5

OIL

181 Transfers within a group by companies carrying on ring fence trade

(1) Section 171A of TCGA 1992 (election to reallocate gain or loss to another member of group) is amended as follows.

(2) In subsection (4), at the end insert “(but see subsection (4A))”.

(3) After subsection (4) insert—

“(4A) An election may not be made under this section to transfer the whole or part of a ring fence chargeable gain from a company carrying on a ring fence trade to a company not carrying on such a trade.

(4B) In subsection (4A)—

“ring fence chargeable gain”, in relation to a company, means—

- (a) a chargeable gain accruing to the company on a material disposal within the meaning of section 197 (disposals of interests in oil fields etc: ring fence provisions), or
- (b) a chargeable gain treated as accruing to the company by virtue of section 197(4);

“ring fence trade” has the same meaning as in Part 8 of CTA 2010 (see section 277 of that Act).”

(4) The amendments made by this section have effect in relation to chargeable gains accruing, or treated by virtue of section 197(4) of TCGA 1992 as accruing, in chargeable periods ending on or after 6 December 2011 (but see also subsection (5)).

(5) In relation to a chargeable period of a company beginning before 6 December 2011 and ending on or after that date (“the straddling period”), the amendments made by this section have effect as if, for the purposes of section 197 of TCGA 1992, so much

Status: This is the original version (as it was originally enacted).

of the straddling period as falls before 6 December 2011, and so much of that period as falls on or after that date, were separate chargeable periods.

182 Supplementary charge

- (1) In section 330 of CTA 2010 (supplementary charge in respect of ring fence trades), in subsection (2), for “profits of the company’s ring fence trade” substitute “company’s ring fence profits”.
- (2) This section is treated as having come into force on 6 December 2011.

183 Relief in respect of decommissioning expenditure

Schedule 21 contains provision about the relief available in respect of decommissioning expenditure.

184 Reduction of supplementary charge for certain oil fields

Schedule 22 contains provision extending the availability of field allowances for oil fields.