

SCHEDULES

SCHEDULE 39

REPEAL OF MISCELLANEOUS RELIEFS ETC

PART 6

MINERAL LEASES OR AGREEMENTS

Income tax

- 43 (1) The following provisions of ITTOIA 2005 (which provide for income tax relief in relation to mineral royalties) are repealed—
- (a) section 157 (mineral royalties included as receipts of a trade),
 - (b) section 319 (mineral royalties included as receipts of a UK property business), and
 - (c) sections 340 to 343 (mineral royalties receivable in connection with mines, quarries and other concerns).
- (2) In consequence of the provision made by sub-paragraph (1)—
- (a) in ITTOIA 2005—
 - (i) in section 337, omit the entry relating to section 340 (and the “and” before that entry), and
 - (ii) in section 339, omit subsection (3), and
 - (b) in CRCA 2005, in Schedule 4, omit paragraph 132(3)(a).
- (3) The amendments made by this paragraph have effect in relation to mineral royalties which a person is entitled to receive on or after 6 April 2013.

Corporation tax on income

- 44 (1) The following provisions of CTA 2009 (which provide for corporation tax relief on income in relation to mineral royalties) are repealed—
- (a) section 135 (mineral royalties included as receipts of a trade),
 - (b) section 258 (mineral royalties included as receipts of a UK property business), and
 - (c) sections 273 to 276 (mineral royalties receivable in connection with mines, quarries and other concerns).
- (2) In consequence of the provision made by sub-paragraph (1)(c), in section 272 of CTA 2009, omit subsection (3).
- (3) The amendments made by this paragraph have effect in relation to mineral royalties which a company is entitled to receive on or after 1 April 2013.

Status: This is the original version (as it was originally enacted).

Chargeable gains

- 45 (1) Section 201 of TCGA 1992 (mineral leases: royalties) is repealed.
- (2) In consequence of the provision made by sub-paragraph (1), in section 203 of TCGA 1992—
- (a) in subsection (1), for “sections 201 and 202” substitute “section 202”, and
 - (b) in the heading, for “**sections 201 and 202**” substitute “**section 202**”.
- (3) The amendments made by this paragraph have effect—
- (a) for the purposes of capital gains tax, in relation to mineral royalties which a person is entitled to receive on or after 6 April 2013, and
 - (b) for the purposes of corporation tax in respect of chargeable gains, in relation to mineral royalties which a company is entitled to receive on or after 1 April 2013.
- 46 (1) Section 202 of TCGA 1992 (mineral leases: capital losses) is amended as follows.
- (2) In subsection (1)—
- (a) after “currency of a mineral lease or agreement” insert “entered into before the relevant date”, and
 - (b) after “in relation to a mineral lease or agreement” insert “entered into before that date”.
- (3) After that subsection insert—
- “(1A) For the purposes of this section “the relevant date” means—
- (a) for the purposes of capital gains tax, 6 April 2013; and
 - (b) for the purposes of corporation tax in respect of chargeable gains, 1 April 2013.”
- (4) In subsection (3), after “termination of a mineral lease or agreement” insert “entered into before the relevant date”.
- 47 In section 203 of TCGA 1992 (provisions supplementary to sections 201 and 202), in subsection (1), for “as they apply for the interpretation of Chapter 7 of Part 4 of CTA 2009” substitute “(despite their repeal by paragraph 44(1)(c) of Schedule 39 to the Finance Act 2012)”.