

CHAPTER 2 Scientific and certain other research

Interpretation and 765). ITA67 s244(1), (8) and (9); CTA76 s21(1) and Sch1 par9; FA92 s39 763.—(1) In this section—

“designated area” means an area designated by order under section 2 of the Continental Shelf Act, 1968 ;

“exploring for specified minerals” means searching in the State for deposits of specified minerals or testing such deposits or winning access to such deposits, and includes the systematic searching for areas containing specified minerals and searching by drilling or other means for specified minerals within those areas, but does not include operations in the course of developing or working a mine;

“licence” means—

(a) an exploration licence,

(b) a petroleum prospecting licence,

(c) a petroleum lease, or

(d) a reserved area licence, duly granted before the 11th day of June, 1968, in respect of an area in the State, or on or after the 11th day of June, 1968, in respect of either or both a designated area and an area in the State, and which was or may be so granted subject to such licensing terms as were presented to each House of the Oireachtas, and includes any such licence the terms of which have been duly amended or varied from time to time;

“licensed area” means an area in respect of which a licence is in force;

“mine” means an underground excavation for the purpose of getting specified minerals;

“petroleum” includes—

(a) any mineral oil or relative hydrocarbon and natural gas and other liquid or gaseous hydrocarbons and their derivatives or constituent substances existing in its natural condition in strata (including, without limitation, distillate, condensate, casinghead gasoline and such other substances as are ordinarily produced from oil and gas wells), and

(b) any other mineral substance contained in oil or natural gas brought to the surface with them in the normal process of extraction, but does not include coal and bituminous shales and other stratified deposits from which oil can be extracted by distillation,

won or capable of being won under the authority of a licence;

“petroleum exploration activities” means activities of a person carried on by the person or on behalf of the person in searching for deposits in a licensed area, in testing or appraising such deposits or in winning access to such deposits for the purposes of such searching, testing and appraising, where such activities are carried on under a licence (other than a petroleum lease) authorising the activities and held by the person or, if the person is a company, held by the company or a company associated with it;

“petroleum extraction activities” means activities of a person carried on by the person or on behalf of the person under a petroleum lease authorising the activities and held by the person or, if the person is a company, held by the company or a company associated with it in—

(a) winning petroleum from a relevant field, including searching in that field for, and winning access to, such petroleum,

(b) transporting as far as dry land petroleum so won from a place not on dry land, or

(c) effecting the initial treatment and storage of petroleum so won from the relevant field;

“relevant field” means an area in respect of which a licence, being a petroleum lease, is in force;

“specified minerals” means the following minerals occurring in non-bedded deposits of such minerals, that is, barytes, feldspar, serpentinous marble, quartz rock, soapstone, ores of copper, ores of gold, ores of iron, ores of lead, ores of manganese, ores of molybdenum, ores of silver, ores of sulphur and ores of zinc.

(2) In sections 764 and 765 —

“asset” includes part of an asset;

“expenditure on scientific research” does not include any expenditure incurred in the acquisition of rights in or arising out of scientific research;

“scientific research” means, subject to subsections (3) and (4), any activities in the fields of natural or applied science for the extension of knowledge.

(3) For the purposes of the definition of “scientific research”, that definition shall, subject to subsection (4), be construed as including and be deemed always to have included a provision excluding from that definition the following activities—

(a) exploring for specified minerals,

(b) petroleum exploration activities, and

(c) petroleum extraction activities.

(4) As respects activities carried on before the 29th day of January, 1992, subsection (3) shall not apply for the purpose of computing any charge to income tax or corporation tax on a person who has before the

3rd day of December, 1991, made a claim in respect of expenditure incurred in exploring for specified minerals or in respect of petroleum exploration activities or in respect of petroleum extraction activities.

(5) For the purposes of sections 764 and 765, expenditure shall not be regarded as incurred by a person in so far as it is or is to be met directly or indirectly out of moneys provided by the Oireachtas or by any person other than the first-mentioned person.

(6) The same expenditure shall not be taken into account for any of the purposes of section 764 or 765 in relation to more than one trade.