HMRC - OT03510 - FA93 - Outline

In his budget speech on 16 March 1993 the Chancellor announced a number of significant reforms to the PRT regime. The changes were aimed at encouraging the further development of the UK’s oil and gas resources by allowing companies to keep more of their profits, whether from additional investment in existing oil and gas fields, or from the development of new ones. The most significant of these reforms were:

the abolition of PRT in relation to new oil fields (see OT03515),

the abolition of exploration and appraisal relief and amendments to other non-field reliefs and allowances (see OT03520).

the reduction in the rate of PRT (see OT03525).

The abolition of PRT for post March 1993 fields also required amendment to provisions relating to apportionment of expenditure where assets were shared (see OT03530) and the provisions which apply to tariffs payable between fields (see OT03550).

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