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See OT13790.

The Responsible Person will not always know when a participator or an associated company has previously claimed what later becomes field expenditure, as exploration and appraisal expenditure under OTA75\S5A or, similarly, when a participator has previously claimed research expenditure under S5B for costs which ultimately can be claimed against the field. FA83\Part II\Sch8 and FA87\S64(2) and FA87\SCH13 extend OTA75\S3(3) and clarify the position. They provide that where expenditure allowable under OTA75\S5A or OTA75\S5B has been allowed on a claim under Schedule 7 there is nothing to prevent a claim being made in respect of the same expenditure unless the person making the claim is the participator who made the claim under that schedule. The Responsible Person can therefore make a claim under Schedule 5 for the full costs of other participators. However since OTA75\S3(3) prevents double relief, if a participator has previously had relief for the costs, either on his own or via an associated company under OTA75\S5A, or on his own under OTA75\S5B, any such expenditure allowed to him on a Schedule 5 apportionment is not allowable in computing his assessable profit from the field. There is an obligation on the participator (OTA75\SCH2\PARA2(2A)) to provide, in the first return (PRT1 Part 2) for a field, details of any expenditure related to that field claimed under OTA75\S5A or OTA75\S5B.

Care needs to be taken to watch that expenditure allowed under OTA75\S5A or OTA75\S5B and OTA75\SCH7 is not subsequently also claimed as field expenditure under OTA75\SCH5 or OTA75\SCH6.

There is no requirement for a claimant under any of the schedules to include all its expenditure in the claim period on just one claim. It may submit as many claims as it wishes in whatever order it chooses.

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