HMRC - OT05940 - PRT: Terminal Liftings - Period Of Entitlement Purchaser Not Applying The Rules Operationally

In cases where an POE purchaser also has his equity production in the blend, Regulation 4 determines how much of a lifting by an POE purchaser is deemed to be derived from its POE purchased oil. If the purchaser is not applying these rules operationally, then he may actually lift the POE purchased oil on a different basis than that determined by the rules. If so, then for the purpose of establishing when, and in what quantities, the POE seller’s oil has been lifted under the contract in order to establish the seller’s tax point, the actual operational lifting is used.

Therefore the seller’s A figure to be allocated under the modified allocation rules in Regulation 5 will be the amounts the purchaser notifies to the seller as having been lifted by him under the contract, and not those deemed to have been lifted by purchaser under regulation 4.

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