HMRC - OT10150 - PRT: Decommissioning - Allowable Expenditure: Restoration Work

OTA75\S3(1)(j)

This subsection was amended by FA91\S103(1) and FA91\S103(3) in relation to expenditure incurred after 30 June 1991 for the purpose of carrying out qualifying restoration work consequential upon the closing down of a field or any part of it.

Qualifying Restoration Work

Qualifying restoration work is defined in OTA75\S3(1B) as work on restoring the land or the seabed (including its subsoil) on which a qualifying asset (see OT15100) is or was situated. In the case of land, restoring also means landscaping.

The costs of restoring the seabed as a consequence of monitoring operations required by an approved decommissioning programme may also qualify for relief under this subsection. The length of time between decommissioning and restoration will not of itself affect allowance as long as it is clear the work is undertaken to comply with a DECC - approved programme.

Where the qualifying asset in question has been used in part otherwise than in connection with the field for which it was qualifying (e.g. in another field), there are specific apportionment rules, see OT10200.

Exempt Gas

There are also special rules relating to relief in fields that are producing or have produced ‘exempt gas’, see OT10550.

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