HMRC - OT15025 - Receipts - Definition Of Tariff Receipts

OTA83\S6

Tariff receipts liable to PRT for a chargeable period are defined at OTA83\S6(2) and OTA83\S6(3) as the aggregate of the amount or value of any consideration (whether income or capital) received or receivable in that chargeable period by a participator in a field and which are attributable to that field (see OT15150) in respect of

the use of a qualifying asset (see OT15100) or

the provision of services or other business facilities of whatever kind in connection with the use, otherwise than by the participator itself, of a qualifying asset.

With regard to the term ‘value of any consideration’, see OT15180.

Exclusion of Interest, Deballasting and “other use” income

OTA83\S6(4) excludes from the definition of tariff receipts any sum which

is in relation to the payer, interest or any other pecuniary obligation incurred in obtaining a loan or any other form of credit, or which

relates to the use of an asset in connection with, or the provision of services or facilities for, deballasting.

for chargeable periods beginning after 30 June 2009; is referable to other use of an asset except use wholly or partly for an oil purpose.

Any receipt that includes a non-chargeable amount should be apportioned on a just and reasonable basis. Under c, where an asset is used partly for an oil purpose and partly for another use it is only tariffs from the oil-related use that will be brought into charge. OTA83\S6 (4A) & (4B) define what is meant by ‘use of an asset for an oil purpose’ which, for the avoidance of doubt, includes use of an asset giving rise to tariff receipts.

Other Apportionment

Where the exclusion rules in OTA83\S6(4) do not apply, but nonetheless part of the consideration includes an unquantified element which is not a chargeable tariff receipt, OTA83\Sch2\Para3 provides for a just and reasonable apportionment of the sum in order to identify the appropriate chargeable amount.

Exempt Gas Fields

The definition of a qualifying asset in OTA83\S8 is modified by OTA83\Sch2\Para4 so that tariff receipts which are attributable to an exempt gas field (see OT13200) in respect of non- mobile assets are chargeable to PRT.

Foreign Field Assets

Where non-mobile assets owned by a participator in a foreign field (see OT13500) are situated in the UK or on the UK Continental Shelf, any tariff receipts attributable to or in connection with UK use are within the charge to PRT OTA83\S12, OTA83\Sch4.

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