HMRC - OT21015 - Delivery Outwith The UK

Initially, “oil extraction activities” within the corporation tax ring fence was defined by reference to the transport of oil to shore in the UK and, if further, to the first reasonable place of delivery in the UK.

Similarly, definitions of “initial treatment” and “storage” applied only to those activities when carried on in the United Kingdom or the United Kingdom Continental Shelf. Allowable costs were limited accordingly.

With respect to chargeable periods ending after 27 November 1991, the relevant definitions were amended by F2A92\S55. The effect was that deductions were no longer denied in principle for the costs of delivery to a place outside the UK and for the costs of transport to and initial treatment and storage at a place other than in the UK.

Changes were made to the rules for transportation costs for chargeable periods ending after 30 June 2006 and were incorporated in ICTA88\S493(1A) (see OT21028).

Previous page

Next page