HMRC - OT26775 - Production Sharing Contracts - Triggering Relief For Deemed Ownership

CAA01\S168(1)(d) & CAA01\S169(1)(e) trigger the operation of the section by reference to the event which causes the ownership test to be failed - the transfer of ownership in the plant and machinery to the overseas government.

Prior to this transfer of ownership, the plant and machinery will be owned by the contractor and claims to relief can be made in the normal way. The effect of this legislation is to ignore this technical transfer of ownership and, by deeming the plant to continue to belong to the contractor, allow the continuation of relief.

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