HMRC - OT28470 - Relief For Contributions To Trust Funds

As an alternative to obtaining an abandonment guarantee, a participator may make a contribution to a Trust Fund set up to meet future decommissioning and abandonment obligations.

HMRC take the view that these contributions are capital in nature and thus not allowable in computing trading profits.

Under current legislation, there is no provision under which relief can be given for a contribution to a Trust Fund set up for this purpose.

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