HMRC - OT28710 - Other Provisions - Schedule 31

FA2013\Sch31

Expenditure on abandonment guarantees

Paras 1 and 2 amend S225N and S225R of ITTOIA 2005 and S292 and S296 CTA2010 to ensure these sections also apply in respect of oil fields that are not subject to PRT.

Expenditure under abandonment guarantees

Paras 3 and 4 provide that para 8 of Sch 3 and para 2A of Sch 5 to the Oil Taxation Act 1975 do not apply to expenditure which is met out of a payment under an abandonment guarantee or security. Paras 5 to 7 omit sections and sub-sections in the FA1991, ITTOIA2005 and CTA2010.

Reimbursement by defaulter in respect of abandonment expenditure

Paras 8 to 10 omit sections in FA1991, ITTOIA2005 and CTA2010 and disapply the reimbursement rules for the purposes of oil activities.

Consequential amendments

Paras 11 to 20 make minor consequential changes resulting from the amendments made by this Schedule.

Receipts arising from decommissioning

Paras 21 and 22 insert CTA2010\S298A and ITTOIA2005\225V which bring any sums received (including tax relief) over and above the amount of expenditure incurred by a company in meeting a default into the scope of the ring fence trade.

Commencement

Para 23 provides for a commencement date of 23rd July 2013 (day on which the Act was passed).

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