

# **SYLLABUS**

## **2025**

**ADIT**



# INTRODUCTION

In order to achieve this qualification, candidates will need to possess a broad knowledge right across the spectrum of international taxation, preferably informed by experience.

This document contains the detailed syllabus for each available module, together with recommended reading lists. Permitted texts for each exam are indicated in the recommended reading lists, and can be found on our website at [www.tax.org.uk/adit/permitted-books](http://www.tax.org.uk/adit/permitted-books).

Questions **will not** be set which require knowledge of any law or regulation, or any Statutory Instrument, EU Directive or similar legal provision announced less than six months before the date of an exam, or on any tax or legal court case reported less than six months before the exam date. Nonetheless, all ADIT exam candidates are expected to maintain a general understanding of recent, significant legislative changes relevant to their exam subjects.

Each syllabus contains a list of topics included, together with an indication of the level of knowledge that a candidate may be required to demonstrate.

# SYLLABUS GUIDE

Each syllabus includes guides which are intended to give candidates broad guidance on the approximate proportion of marks available for the major areas within the syllabus for each module.

The levels specified are:

## **Level 1**

Candidates will be expected to have a broad understanding and awareness of the topic, but will not be required to provide answers in detail on these topics.

## **Level 2**

Candidates will be expected to have a detailed knowledge of the topic and be able to apply this knowledge in both written and computational situations (where appropriate), showing an understanding of the issues involved.

## **Level 3**

Candidates may be required to demonstrate an advanced knowledge, involving interpretive exposition and analysis, with the ability to comment upon problems arising and to suggest possible solutions in novel situations.

Candidates are expected to have an awareness of current accounting issues relevant to tax.

# MODULE 3.04 - ENERGY RESOURCES OPTION

I	<b>Fundamental tax issues</b>	5%
II	<b>Tax and fiscal regimes</b>	15%
III	<b>Country tax examples</b>	5%
IV	<b>Permanent establishments</b>	10%
V	<b>Technical services</b>	10%
VI	<b>Mergers and acquisitions</b>	5%
VII	<b>Intellectual Property (IP)</b>	5%
VIII	<b>Leasing</b>	5%
IX	<b>Financing</b>	5%
X	<b>Profit repatriation</b>	5%
XI	<b>Trading</b>	2.5%
XII	<b>Transfer pricing</b>	5%
XIII	<b>Governance of natural energy resources</b>	5%
XIV	<b>Arbitration of disputes</b>	2.5%
XV	<b>Tax policy considerations of climate change</b>	15%

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## I     Fundamental tax issues

A	International investment	1
B	International income flows	1
C	Tax treaties	2
D	Transfer pricing	2

## II    Tax and fiscal regimes

A	Licence and concession regimes	3
B	Production sharing contracts (PSCs)	3
C	Service contracts	3
D	Royalties	3
E	Indirect taxes, including VAT and qualifying for exemptions	2
F	Deferred tax accounting issues	1

## III   Country tax examples

A	Angola	1
B	Brazil	1
C	Indonesia	1
D	Iraq, technical service contracts (TSCs), and development and production service contracts (DPSCs)	1
E	Nigeria	1
F	Norway	1
G	United Kingdom	1
H	United States (federal taxation)	1
I	United States (state taxation generally, includes focus on Texas and Alaska)	1

## **IV Permanent establishments**

A Permanent establishments and tax treaties	2
B Operating companies	2
C Service companies	2

## **V Technical services**

A Technical services background	2
B Structuring technical service operations	2
C Interaction with PSCs and joint operating agreements	3
D Withholding tax and related planning	3

## **VI Mergers and acquisitions**

A Acquire target assets or target company shares	2
B Interest deductions and debt push down	2
C Depreciation and asset step up	2
D Carry-forward tax losses	2
E Sale and purchase agreements	3
F Cost carry deals	3
G Tax due diligence	3

## **VII Intellectual Property (IP)**

A IP in natural energy resources	2
B Royalties	2
C Transfers of IP	2
D Group IP companies	2

## **VIII Leasing**

A Operating leasing	2
B Leasing and tax treaties	1
C Sale and leaseback	1
D Group leasing companies	1

## **IX Financing**

A Group treasury companies and in-house banking	2
B Thin capitalisation	1
C Controlled foreign corporations	1
D Hybrid entities and hybrid securities	1

## **X Profit repatriation**

A Subsidiaries and dividends	2
B Subsidiaries and deductible expenses	1
C Branches and profit repatriation	1
D Branches and allocation of related company expenses	2

## **XI Trading**

A Group trading company	2
B Planning structures	1
C Derivatives, including options, forwards and swaps	1

## **XII Transfer pricing**

A Transfer pricing methods and advance pricing agreements (APAs)	2
B Commodity pricing	2
C Exploration services and drilling	1
D Financial and environmental guarantees	2
E Transfer pricing and procurement	2
F Transfer pricing and trading	3
G Intellectual property	2
H Services and administration	2
I Group financing	2

## **XIII Governance of natural energy resources**

A Definition and characteristics of the types of natural energy resource governance	
1. Proprietorial regime	1
2. Non-proprietorial regime	1
B The link between international agreements and different types of natural resource governance	2
C The effects of using certain types of governance on government tax receipts	2

## **XIV Arbitration of disputes**

A The use of arbitration by natural energy resource companies	2
B Bilateral investment treaties and the Energy Charter Treaty	2
C Arbitration clauses in contracts	1

## **XV Tax policy considerations of climate change**

A The importance of carbon pricing and carbon capture, use and storage (CCUS)	3
B Design and implementation of carbon taxation	3
C Design and implementation of emissions trading schemes (ETS)	3
D Tax aspects of CCUS	2

# RECOMMENDED READING LIST

## Permitted Texts

Candidates may take a copy of the following texts only into the examination:

Abdo, H. *Taxation of UK Oil and Gas Production: a Non-Proprietorial Regime?* (Oxford: Lambert Academic Publishing, 2010) [ISBN: 9783843375917]  
Available from Amazon: [www.amazon.com](http://www.amazon.com)

OECD. *Base Erosion and Profit Shifting Project: 2015 Final Reports. Executive Summaries* (Paris: OECD, 2015)  
Available from the OECD:  
<https://web-archive.oecd.org/2019-06-27/373991-beps-reports-2015-executive-summaries.pdf>

OECD, Committee on Fiscal Affairs. *Model Tax Convention on Income and on Capital* (Paris: OECD, 2017) [ISBN: 9789264287945] and accompanying *Commentary*  
Available from the OECD: [www.oecd-ilibrary.org](http://www.oecd-ilibrary.org)

OECD, Committee on Fiscal Affairs. *Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations* (Paris: OECD, 2022) [ISBN: 9789264526914]  
Available from the OECD: [www.oecd-ilibrary.org](http://www.oecd-ilibrary.org)

Van Raad, K. *Materials on International, TP and EU Tax Law 2020-2021. Volume A* (Leiden: International Tax Centre, 2020) [ISBN: 9789082585452]  
Available from the Leiden International Tax Centre: [www.itc-leiden.nl](http://www.itc-leiden.nl) or [b.bosman@itc-leiden.nl](mailto:b.bosman@itc-leiden.nl)  
Or available from Wildy & Sons: [www.wildy.com](http://www.wildy.com)

No other texts may be taken into the examination.

## Essential Reading

Abrahamson, J. *Tolley's International Taxation of Upstream Oil and Gas* (LexisNexis, 3rd edition, 2021) [ISBN: 9780754558118]  
Available from LexisNexis: [www.lexisnexis.co.uk](http://www.lexisnexis.co.uk)  
(Discount available for registered ADIT students; to access the discount, please click [here](#).)

Calder, J. *Administering Fiscal Regimes for Extractive Industries: A Handbook* (IMF, 2014) [ISBN: 9781475575170]  
Available from the IMF eLibrary: [www.elibrary.imf.org](http://www.elibrary.imf.org)

Daniel, P., Keen, M., Świstak, A. and Thuronyi, V. *International Taxation and the Extractive Industries* (Routledge, 2019) [ISBN: 9780367875077]  
Available from Routledge: [www.routledge.com](http://www.routledge.com)

Daniel, P., Keen, M. and McPherson, C. *The Taxation of Petroleum and Minerals* (Routledge, 2010) [ISBN: 9780415781381]  
Available from Routledge: [www.routledge.com](http://www.routledge.com)

European Union. *EU Emissions Trading System (EU ETS)* and related publications on the website  
Available from the EU:  
[https://climate.ec.europa.eu/eu-action/eu-emissions-trading-system-eu-ets\\_en](https://climate.ec.europa.eu/eu-action/eu-emissions-trading-system-eu-ets_en)

EY. *2019 Global Oil and Gas Tax Guide* (London: EY, 2019)  
Available from EY:  
[www.ey.com/en\\_gl/tax-guides/global-oil-and-gas-tax-guide-2019](http://www.ey.com/en_gl/tax-guides/global-oil-and-gas-tax-guide-2019)

Mommer, B. *Global Oil and the Nation State* (Oxford: Oxford University Press, 2002) [ISBN: 9780197300282]  
Available from Amazon: [www.amazon.com](http://www.amazon.com)

Nakhle, C. *Petroleum Taxation: Sharing the Oil Wealth* (London: Routledge, 2012) [ISBN: 9780415541909]  
Available from Routledge: [www.routledge.com](http://www.routledge.com)

United Nations. *United Nations Handbook on Carbon Taxation for Developing Countries* (UN, 2021) and related publications on the website  
Available from the UN:  
[www.un.org/development/desa/financing/what-we-do/ECOSOC/tax-committee/thematic-areas/environmental-taxation](http://www.un.org/development/desa/financing/what-we-do/ECOSOC/tax-committee/thematic-areas/environmental-taxation)

World Bank. *Carbon Pricing Dashboard* (World Bank, 2021) and related publications on the website  
Available from the World Bank:  
<https://carbonpricingdashboard.worldbank.org>

## Other Relevant Reading

Abdo, H. "Investigating the effectiveness of different forms of mineral resources governance in meeting the objectives of the UK petroleum fiscal regime", in *Energy Policy* (2014, Volume 65, p.48)

Available at ScienceDirect:

[www.sciencedirect.com/science/journal/03014215/65](http://www.sciencedirect.com/science/journal/03014215/65)

Andah, E. and Ike, C. "Nigeria - Value Added Tax and the Oil and Gas Industry in Nigeria", in *International VAT Monitor* (2017, Volume 28:1)

Available from IBFD:

[www.ibfd.org/IBFD-Products/Journal-Articles/International-VAT-Monitor/collections/ivm/html/ivm\\_2017\\_01\\_ng\\_1.html](http://www.ibfd.org/IBFD-Products/Journal-Articles/International-VAT-Monitor/collections/ivm/html/ivm_2017_01_ng_1.html)

Angola. *Model Production Sharing Agreement* (1969)

Available from EI Source Book:

[www.eisourcebook.org/cms/Angolan%20Production%20Sharing%20Agreement.pdf](http://www.eisourcebook.org/cms/Angolan%20Production%20Sharing%20Agreement.pdf)

Blyschak, P. "Arbitrating overseas oil and gas disputes: breaches of contract versus breaches of treaty", in *Journal of International Arbitration* (2010, Volume 27:6)

Available from Kluwer Law Online:

[www.kluwerlawonline.com](http://www.kluwerlawonline.com)

Daniel, P., Keen, M. and McPherson, C. (eds). *The Taxation of Petroleum and Minerals: Principles, Problems and Practice* (Routledge, 2010) [ISBN: 9780415569217]

Available from Routledge: [www.routledge.com](http://www.routledge.com)

Deloitte. *Oil and Gas Taxation in the UK: Deloitte Taxation and Investment Guides* (London: Deloitte, 2013), pp. 3-6

Available from Deloitte:

[www2.deloitte.com/content/dam/deloitte/global/documents/energy-and-resources/dttl-er-uk-oilandgas-guide.pdf](http://www2.deloitte.com/content/dam/deloitte/global/documents/energy-and-resources/dttl-er-uk-oilandgas-guide.pdf)

Dushime, A. *Addressing climate change through carbon taxes* (World Economic Forum, 2021)

Available from Word Economic Forum:

[www.weforum.org/agenda/2021/06/addressing-climate-change-through-carbon-taxes](http://www.weforum.org/agenda/2021/06/addressing-climate-change-through-carbon-taxes)

EY. *EY Worldwide Transfer Pricing Reference Guide 2022-2023* (EY, 2024)

Available from EY:

[www.ey.com/en\\_gl/tax-guides/worldwide-transfer-pricing-reference-guide](http://www.ey.com/en_gl/tax-guides/worldwide-transfer-pricing-reference-guide)

EY. *US GAAP vs. IFRS – The Basics: Oil and Gas* (London: EY, 2016)

Available from EY:

[www.ey.com.au/ul/en/accountinglink/publications-library-us-gaap-vs--ifrs--the-basics](http://www.ey.com.au/ul/en/accountinglink/publications-library-us-gaap-vs--ifrs--the-basics)

HMRC. *Oil and Gas Companies: Tax Relief for Decommissioning Expenditure* (London: HMRC, 2016)

Available from HMRC:

[www.gov.uk/government/publications/oil-and-gas-companies-tax-relief-for-decommissioning-expenditure/oil-and-gas-companies-tax-relief-for-decommissioning-expenditure](http://www.gov.uk/government/publications/oil-and-gas-companies-tax-relief-for-decommissioning-expenditure/oil-and-gas-companies-tax-relief-for-decommissioning-expenditure)

IMF. *Fiscal Regimes for Extractive Industries: Design and Implementation* (IMF, 2012)

Available from the IMF:

[www.imf.org/external/np/pp/eng/2012/081512.pdf](http://www.imf.org/external/np/pp/eng/2012/081512.pdf)

Indonesian Ministry of Energy and Mineral Resources (MEMR). *Regulation No. 8 of 2017 regarding the Gross Split for Production Sharing Contracts* (MEMR Regulation 8/2017)

Available from the Indonesian Petroleum Association:

[www.ipa.or.id/assets/images/news/20170119%20ipa%20-%20permen%2008%202017%20original\\_eng%20final.pdf](http://www.ipa.or.id/assets/images/news/20170119%20ipa%20-%20permen%2008%202017%20original_eng%20final.pdf)

Iraq. *Model Producing Oil Field Technical Service Contract* (2009)

Available from Platform:

<http://platformlondon.org/documents/pftsc-23-apr-09.pdf>

Johnston, D. and Johnston, D. "Fundamental petroleum fiscal considerations", in *Oxford Energy Comment* (February 2015)

Available from the Oxford Institute for Energy Studies:

[www.oxfordenergy.org/wpcms/wp-content/uploads/2015/02/Fundamental-Petroleum-Fiscal-Considerations.pdf](http://www.oxfordenergy.org/wpcms/wp-content/uploads/2015/02/Fundamental-Petroleum-Fiscal-Considerations.pdf)

Kobetsky, M. *International Taxation of Permanent Establishments: Principles and Policy* (Cambridge University Press, 2011) [ISBN: 9780511977855]  
Available from Cambridge University Press:  
[www.cambridge.org/gb/academic](http://www.cambridge.org/gb/academic)

Mazeel, M. *Petroleum Fiscal Systems and Contracts* (Diplomica Verlag, 2010) [ISBN: 9783836688529]  
Available from AbeBooks: [www.abebooks.co.uk](http://www.abebooks.co.uk)

OECD, Committee on Fiscal Affairs. *OECD/G20 Base Erosion and Profit Shifting Project: 2015 Final Reports. Action 13* (Paris: OECD, 2015) [ISBN: 9789264241466]

OECD, *Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting* (OECD, 2016)  
Available from the OECD: [www.oecd-ilibrary.org](http://www.oecd-ilibrary.org)

Otto, M. "The Taxation of Extractive Industries: Mining", in Addison, T., Roe, A. et al. *Extractive Industries: The Management of Resources as a Driver of Sustainable Development* (Oxford University Press, 2018) [ISBN: 9780198817369]  
Available from Oxford Academic:  
<https://academic.oup.com/book/27405>

PwC. *Financial Reporting in the Oil and Gas Industry: International Financial Reporting Standards* (London: PwC, 2017)  
Available from PwC:  
[www.pwc.com/gx/en/services/audit-assurance/assets/pwc-financial-reporting-in-the-oil-and-gas-industry-2017.pdf](https://www.pwc.com/gx/en/services/audit-assurance/assets/pwc-financial-reporting-in-the-oil-and-gas-industry-2017.pdf)

Samuelson, J. *A Guide to Norwegian Petroleum Taxation* (Oslo: KPMG, 2011) [ISBN: 9788292222096]  
Available from KPMG:  
[www.kpmglaw.no/artikkel/a-guide-to-norwegian-petroleum-taxation](http://www.kpmglaw.no/artikkel/a-guide-to-norwegian-petroleum-taxation)

United Nations. *United Nations Handbook on Selected Issues for Taxation of the Extractive Industries by Developing Countries* (UN, 2017) [ISBN: 9789210478472]  
Available from the UN:  
[www.un.org/esa/ffd/wp-content/uploads/2018/05/Extractives-Handbook\\_2017.pdf](http://www.un.org/esa/ffd/wp-content/uploads/2018/05/Extractives-Handbook_2017.pdf)

Wälde, T. "Arbitration in the oil, gas and energy field: emerging energy charter treaty practice", in *Transnational Dispute Management* (2004, Volume 1:2)  
Available from Transnational Dispute Management: [www.transnational-dispute-management.com](http://www.transnational-dispute-management.com)

Wälde, T. "Oil and gas arbitration: some historical background and current significance", in *Transnational Dispute Management* (2006, Volume 3:5)  
Available from Transnational Dispute Management: [www.transnational-dispute-management.com](http://www.transnational-dispute-management.com)