



Oil Taxation Act 1975

CHAPTER 22

OIL TAXATION ACT 1975

PART I

PETROLEUM REVENUE TAX

- 1 Petroleum revenue tax
- 2 Assessable profits and allowable losses
- 3 Allowance of expenditure (other than expenditure on long-term assets and abortive exploration expenditure)
- 4 Allowance of expenditure on long-term assets
- 5 Allowance of abortive exploration expenditure
- 6 Allowance of unrelievable loss from abandoned field
- 7 Relief for allowable losses
- 8 Oil allowance
- 9 Annual limit on amount of tax payable by participator
- 10 Modification of Part I in connection with certain gas sold to British Gas Corporation
- 11 Application of Provisional Collection of Taxes Act 1968
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PART II

PROVISIONS RELATING TO THE EXTRACTION OF PETROLEUM IN THE UNITED KINGDOM OR A DESIGNATED AREA

- 13 Treatment of oil extraction activities etc. for purposes of income tax and corporation tax
- 14 Valuation of oil disposed of or appropriated in certain circumstances
- 15 Oil extraction activities etc.: charges on income

Status: This is the original version (as it was originally enacted).

- 16 Oil extraction activities etc.: restriction on setting advance corporation tax against income therefrom
- 17 Corporation tax: deduction of petroleum revenue tax in computing income
- 18 Interest on tax overpaid to be disregarded in computing income
- 19 Interpretation of Part II

PART III

MISCELLANEOUS AND GENERAL

- 20 Modification of certain provisions in relation to petroleum companies
- 21 Citation, interpretation and construction

SCHEDULES

SCHEDULE 1 — Determination of Oil Fields

- 1 (1) For the purposes of this Part of this Act...
- 2 Before determining an area to be an oil field the...
- 3 A determination under this Schedule shall be in such form...
- 4 The appropriate authority shall give notice of any determination made...
- 5 A determination under this Schedule may from time to time...

SCHEDULE 2 — Management and Collection of Petroleum Revenue Tax

Management of tax

- 1 (1) The tax shall be under the care and management...

Returns by participators

- 2 (1) Every participator in an oil field shall, for each...
- 3 (1) If a participator fails to deliver a return within...

Appointment of responsible person for each oil field

- 4 (1) For each oil field a body corporate or partnership...

Returns by the responsible person

- 5 (1) The responsible person for an oil field shall, for...
- 6 (1) If the responsible person fails to deliver a return...

Production of accounts, books and other information

- 7 (1) Where a participator in or the responsible person for...

Incorrect returns, accounts, etc.

- 8 (1) Where a participator in an oil field fraudulently or...
- 9 (1) Where any such return, statement, declaration or accounts as...

Assessments to tax and determinations of loss, etc.

- 10 (1) Where it appears to the Board that, in accordance...
- 11 (1) Where a participator has under paragraph 2 above delivered...

12 (1) Where it appears to the Board—

Payment of tax

13 Subject to paragraph 14 below, the tax charged in an...

Appeals

14 (1) A participator may appeal to the Special Commissioners against...

Interest on tax

15 (1) Subject to sub-paragraph (2) below, tax charged in an...

16 Where any amount of tax charged by an assessment to...

SCHEDULE 3 — Petroleum Revenue tax : Miscellaneous Provisions

Definition of sale of oil at arm's length

1 (1) For the purposes of this Part of this Act...

Definition of market value of oil

2 (1) For the purposes of this Part of this Act...

Aggregate market value of oil for purposes of section 2(5)

3 (1) For the purposes of subsection (5) of section 2...

Oil delivered in place of royalties to be disregarded for certain purposes

4 Oil delivered to the Secretary of State under the terms...

Effect of transfer to an associated company of participator's rights etc. in connection with an oil field or relevant licence

5 (1) This paragraph applies to any agreement or other arrangement...

Oil owned by a person other than a participator in the oil field from which it was won

6 (1) Where a proportion of a participator's share in the...

Exclusion from section 2(4)(b) and (5)(d) of offshore oil in transit to place of first landing in United Kingdom

7 In computing the assessable profit or allowable loss accruing to...

Certain subsidised expenditure to be disregarded

8 (1) Expenditure shall not be regarded for any of the...

Election to have amounts mentioned in section 2(9)(b) and (c) spread

9 (1) If a participator in an oil field so elects...

10 (1) Where a participator has made an election under paragraph...

Restriction of amount of reduction under section 8(1)

11 Where— (a) a claim under Schedule 5 or 6 to...

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SCHEDULE 4 — Provisions Supplementary to Sections 3 and 4

Restrictions on expenditure allowable under section 3 or 4

- 1 (1) Expenditure incurred by any person in the acquisition of...
- 2 (1) Where a person has incurred expenditure in the acquisition...
- 3 (1) This paragraph applies in the case of any oil...

Disposal of long-term asset formerly used in connection with an oil field

- 4 (1) Where an asset is used in connection with an...

Long-term assets used in connection with more than one oil field

- 5 (1) Where in any claim period a long-term asset is...

Provisions supplementary to section 4(9) of this Act and paragraph 5(2) above

- 6 (1) Where in the case of an oil field, the...

Insurance or compensation in respect of loss or destruction of long-term asset formerly used in connection with oil field

- 7 (1) Where, in consequence of the loss or destruction at...

Assets acquired jointly by participators in different oil fields

- 8 Where an asset was acquired jointly by persons who are...

SCHEDULE 5 — Allowance of Expenditure (other than Abortive Exploration Expenditure)

Claim periods and claims

- 1 (1) In relation to any oil field—
- 2 (1) A claim under this Schedule for the allowance of...
- 3 (1) The Board shall by notice in writing to the...
- 4 If, in a case where sub-paragraph (5) of paragraph 2...

Appeals

- 5 (1) If— (a) the amount or total of the amounts...
- 6 (1) Where the responsible person gives notice of appeal against...
- 7 (1) Where on an appeal under paragraph 5 above the...
- 8 (1) Where— (a) a case for the opinion of the...

SCHEDULE 6 — Allowance of Expenditure (other than Abortive Exploration Expenditure) on Claim by Participator

- 1 (1) A claim for the allowance of any expenditure allowable...
- 2 The provisions of Schedule 5 to this Act specified in...

SCHEDULE 7 — Allowance of Abortive Exploration Expenditure

- 1 (1) A claim for the allowance, in connection with an...

SCHEDULE 8 — Allowance of Unrelievable Field Loss

Reference and determination of question of abandonment of oil field

- 1 Where it appears to the responsible person for an oil...
- 2 (1) The Board shall, by notice in writing given to...
- 3 (1) The responsible person may appeal to the Special Commissioners...

Claims by participators for allowance of unrelievable field losses

- 4 (1) A claim for the allowance, in connection with an...

SCHEDULE 9 — Extension of Section 485 of Taxes Act in Relation to Petroleum Companies

Definition of petroleum company

- 1 For the purposes of this Schedule a company is a...
- 2 The activities referred to in paragraph 1 above are—

Petroleum company as resident buyer or resident seller

- 3 (1) The application to a transaction of subsection (1) or...
- 4 Where both the buyer and the seller are resident in...

Modification of section 485 of Taxes Act in relation to certain sales to or by petroleum companies

- 5 Where any property is sold and either the buyer or...

Determination of arm's length price

- 6 (1) Where a petroleum company was a party to a...

Supplementary

- 7 (1) In this Schedule— " petroleum " includes any mineral...