

## SCHEDULES

### SCHEDULE 6

#### TAXATION OF CAPITAL ELEMENT IN MINERAL ROYALTIES

##### PART II

###### TERMINAL LOSS RELIEF

- 3 (1) The provisions of this Part of this Schedule apply in a case where, at the time of the occurrence of a relevant event in relation to a mineral lease or agreement, the person who immediately before that event occurred was entitled to receive mineral royalties under the lease or agreement (in this Part of this Schedule referred to as "the taxpayer ") has an interest in the land to which the mineral lease or agreement relates (in this Part of this Schedule referred to, in relation to the lease or agreement, as " the relevant interest").
- (2) For the purposes of this Part of this Schedule a relevant event occurs in relation to a mineral lease or agreement—
- (a) on the expiry or termination of the mineral lease or agreement ;
  - (b) if the relevant interest is disposed of, or is treated as having been disposed of by virtue of any provision of Part III of the Finance Act 1965 (capital gains).