
Changes to legislation: There are currently no known outstanding effects for the Finance Act 1980, Paragraph 16. (See end of Document for details)

SCHEDULES

SCHEDULE 17

TRANSFERS OF INTERESTS IN OIL FIELDS

Modifications etc. (not altering text)

- C1** Definitions applied for purposes of [Capital Allowances Act 1990 \(c. 1, SIF 63:1\)](#), [s. 64](#)—transfers of interests in oil fields.
[Sch. 17](#) applied (27.7.1999) by [1999 c. 16, s. 97\(3\)](#)
- C1** See also [Finance Act 1981 \(c. 35\)](#), [s. 112](#) for application of s. 111 of that Act ([restriction of expenditure supplement](#)) and [Oil Taxation Act 1975 \(c. 22\)](#), [s. 9](#) (limit on amount of tax payable) in case of a transfer.

PART III

OTHER RULES

Abortive exploration expenditure

- 16 (1) Subject to sub-paragraph (2) below, there shall be allowed under section 5 in the case of the new participator, in connection with any field in which an interest is transferred to him by the old participator, any expenditure incurred—
- (a) by the old participator; or
 - (b) if the old participator is a company, by a company which is within the meaning of that section associated with the old participator in respect of the expenditure,
- if no claim in respect of it has been made under Schedule 7 by the old participator or any such company and the expenditure would be allowable under that section in the case of the new participator if he had himself incurred it.
- (2) Sub-paragraph (1) above—
- (a) does not apply so long as the old participator or, if the old participator is a company, any company associated with the old participator has an interest in a licence; and
 - (b) applies to the new participator only if the transfer to him was the last transfer made by the old participator.
- (3) For the purposes of sub-paragraph (2) above a company is associated with the old participator if—
- (a) one is a 51 per cent. subsidiary of the other and the other is not a 51 per cent. subsidiary of any company; or
 - (b) each of them is a 51 per cent. subsidiary of a third company which is not itself a 51 per cent. subsidiary of any company;

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and [^{F1}Chapter 3 of Part 24 of the Corporation Tax Act 2010] (subsidiaries) shall apply for the purposes of this sub-paragraph.

- (4) This paragraph is without prejudice to the application of section 5 in cases where the old participator is a company and the new participator is within the meaning of that section a company associated with the old participator in respect of the expenditure in question.

Textual Amendments

- F1** Words in [Sch. 17 para. 16\(3\)](#) substituted (with effect in accordance with s. 1184(1) of the commencing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 1 para. 172\(3\)](#) (with [Sch. 2](#))

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