



# Finance Act 1983

## 1983 CHAPTER 28

### PART III

#### OIL TAXATION

#### **36 Increased oil allowance for certain new fields.**

- (1) For all the relevant new fields, as defined in subsection (2) below, section 8 of the principal Act (the oil allowance) shall have effect subject to the following modifications:—
  - (a) in subsection (2) (the amount of the allowance for each chargeable period) for “250,000 metric tonnes” there shall be substituted “ 500,000 metric tonnes ”; and
  - (b) in subsection (6) (the total allowance for a field) for “5 million metric tonnes” there shall be substituted “ 10 million metric tonnes ”.
- (2) Subject to subsection (3) below, in this section “relevant new field” means an oil field—
  - (a) no part of which lies in a landward area, within the meaning of the<sup>M1</sup> Petroleum (Production) Regulations 1982 or in an area to the East of the United Kingdom and between latitudes 52° and 55° North; and
  - (b) for no part of which consent for development has been granted to the licensee by the Secretary of State before 1st April 1982; and
  - (c) for no part of which a programme of development had been served on the licensee or approved by the Secretary of State before that date.
- (3) In determining, in accordance with subsection (2) above, whether an oil field (in this subsection referred to as “the new field”) is a relevant new field, no account shall be taken of a consent for development granted before 1st April 1982 or a programme of development served on the licensee or approved by the Secretary of State before that date if—
  - (a) in whole or in part that consent or programme related to another oil field for which a determination under Schedule 1 to the principal Act was made before the determination under that Schedule for the new field; and

---

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1983, Section 36. (See end of Document for details)*

---

- (b) on or after 1st April 1982, a consent for development is or was granted or a programme of development is or was served on the licensee or approved by the [F<sup>1</sup>OGA] and that consent or programme relates, in whole or in part, to the new field.
- (4) In subsections (2) and (3) above “development” means—
- (a) the erection or carrying out of permanent works for the purpose of getting oil from the field or for the purpose of conveying oil won from the field to a place on land; or
  - (b) winning oil from the field otherwise than in the course of searching for oil or drilling wells;
- and consent for development does not include consent which is limited to the purpose of testing the characteristics of an oil-bearing area and does not relate to the erection or carrying out of permanent works.
- (5) In subsection (4) above “permanent works” means any structures or other works whatsoever which are intended by the licensee to be permanent and are neither designed to be moved from place to place without major dismantling nor intended by the licensee to be used only for searching for oil.

#### Textual Amendments

- F1** Word in s. 36(3)(b) substituted (1.10.2016) by [The Petroleum \(Transfer of Functions\) Regulations 2016 \(S.I. 2016/898\)](#), regs. 1(2), 7

#### Modifications etc. (not altering text)

- C1** See [Finance Act 1988 \(c. 39, SIF 63:1, 2\)](#), s. 138—Southern Basin and Onshore fields
- C2** See—[Finance Act 1988 \(c. 39, SIF 63:1, 2\)](#), s. 64(2)—definitions applied for purposes of s. 62 of that Act (disposals of oil licences relating to underdeveloped areas)[Finance Act 1988 \(c. 39, SIF 63:1, 2\)](#), s. 138(4)—definitions applied for purposes of s. 138(2)(3) of that Act (reduced oil allowance for certain Southern Basin and onshore fields)
- C3** S. 36(4)(5) applied (6.3.1992 with effect as mentioned in s. 289(1)(2) of the applying Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 196(2), 289.
- C4** S. 36(4)(5) applied by 1983 c. 56, s. 6A(5) (as inserted (22.7.2004) by [Finance Act 2004 \(c. 12\)](#), s. 285(3))

#### Marginal Citations

- M1** [S.I. 1982/1000](#).

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1983, Section 36.