

Changes to legislation: There are currently no known outstanding effects for the Advance Petroleum Revenue Tax Act 1986, SCHEDULE. (See end of Document for details)

SCHEDULE

Section 1(1)

NET PROFIT PERIOD

- 1 In this Schedule—
- (a) “the principal Act” means the ^{M1}Oil Taxation Act 1975;
 - (b) “statement”, in relation to an oil field and a chargeable period, means the statement delivered by a participator in that oil field in respect of that period under section 1(1)(a) of the ^{M2}Petroleum Revenue Tax Act 1980;
 - (c) “the material date”, in relation to a participator in an oil field, means the date on which he delivers his statement in respect of that field for the chargeable period ending on 31st December 1986; and
 - (d) “section 111” means section 111 of the ^{M3}Finance Act 1981 (restriction of expenditure supplement).

Marginal Citations

M1 1975 c. 22.

M2 1980 c. 1.

M3 1981 c. 35.

- 2 Subject to the following provisions of this Schedule, if a chargeable period is a participator’s net profit period for the purposes of section 111, that period is also his net profit period for the purposes of this Act.
- 3 (1) If, before the material date, no notice of assessment or determination under paragraph 10 of Schedule 2 to the principal Act has been given to a participator with respect to any of the chargeable periods ending before 1st July 1986, the question whether one of those periods is his net profit period for the purposes of this Act shall be determined, subject to sub-paragraphs (2) and (3) below, on the assumption that, before making any modifications under subsections (3) to (5) of section 111, the amount of the assessable profit or allowable loss which accrued to the participator in each of the chargeable periods ending before 1st July 1986 was as set out in the statement delivered in respect of that period.
- (2) If the expenditure treated as allowed in determining the assessable profit or allowable loss set out in the statement delivered in respect of any of the chargeable periods referred to in sub-paragraph (1) above is less than could have been treated as so allowed by virtue of paragraph 2(4) of the Schedule to the Petroleum Revenue Tax Act 1980, the assessable profit or allowable loss set out in that statement shall be taken for the purposes of sub-paragraph (1) above to be what it would have been if account had been taken of all the expenditure which could have been treated as so allowed.
- (3) In any case where—
- (a) by virtue of sub-paragraph (2) above, any amount of expenditure is treated as allowed in determining the assessable profit or allowable loss which is taken to be set out in the statement for any chargeable period, and
 - (b) the whole or any part of that amount is in fact treated as allowed in determining the assessable profit or allowable loss set out in the statement delivered in respect of any subsequent period,

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the assessable profit or allowable loss of that subsequent period as set out in the statement delivered in respect of that period shall be taken for the purposes of sub-paragraph (1) above to be adjusted so as to prevent any amount of expenditure being taken into account more than once.

- 4 (1) If, in a case where paragraph 3(1) above does not apply in relation to a participator,—
- (a) one of the chargeable periods ending before 1st July 1986 is the participator's net profit period for the purposes of section 111, and
 - (b) a claim has been made under Schedule 5 or Schedule 6 to the principal Act in respect of expenditure incurred before 1st July 1986, and
 - (c) as to the whole or any part of that expenditure, at the material date either the Board have not notified their decision on the claim or an appeal against their decision on the claim has not been finally determined or abandoned (or treated as abandoned),

the question whether one of the periods referred to in paragraph (a) above is the participator's net profit period for the purposes of this Act shall be determined on the assumptions in sub-paragraph (2) below.

- (2) The assumptions referred to in sub-paragraph (1) above are—
- (a) that so much of any expenditure as falls within paragraph (c) of that sub-paragraph has been allowed and, in the case of expenditure claimed as qualifying for supplement under paragraph (b)(ii) or paragraph (c)(ii) of section 2(9) of the principal Act, has been allowed as so qualifying; and
 - (b) that the participator's share of any of that expenditure which is the subject of a claim under Schedule 5 to the principal Act is the share proposed in the claim under paragraph 2(4)(b) of that Schedule.
- 5 Any reference in paragraph 3 or paragraph 4 above to a question whether a chargeable period is a participator's net profit period being determined on particular assumptions is a reference to that question being determined (on the basis of those assumptions) in accordance with sections 111 and 112 of the ^{M4}Finance Act 1981.

Marginal Citations

M4 1981 c. 35.

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