



Finance Act 1987

1987 CHAPTER 16

PART 1

CUSTOMS AND EXCISE AND VALUE ADDED TAX

CHAPTER I

CUSTOMS AND EXCISE

Duties of excise

1 Unleaded petrol.

- (1) After section 13 of the ^{M1}Hydrocarbon Oil Duties Act 1979 there shall be inserted the following section—

“13A Rebate on unleaded petrol.

- (1) On unleaded petrol charged with the excise duty on hydrocarbon oil and delivered for home use there shall be allowed at the time of delivery a rebate of duty at the rate of £0.0096 a litre.
- (2) For the purposes of this section petrol is “unleaded” if it contains not more than 0.013 grams of lead per litre of petrol or, if the petrol is delivered for home use before 1st April 1990, not more than 0.020 grams of lead per litre of petrol.
- (3) Rebate shall not be allowed under this section in any case where it is allowed under section 14 below.”

^{F1}(2)

^{F2}(3)

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

- (4) This section shall be deemed to have come into force at 6 o'clock in the evening of 17th March 1987.

Textual Amendments

- F1** S. 1(2) omitted (1.4.2008 retrospective) by virtue of Finance Act 2008 (c. 9), s. 13(11)(a)(12), Sch. 5 paras. 25(a), 26(b)
- F2** S. 1(3) omitted (1.4.2008 retrospective) by virtue of Finance Act 2008 (c. 9), s. 13(11)(a)(12)

Marginal Citations

- M1** 1979 c. 5.

2 Part I Vehicles excise duty.

- ^{F3}(1)
- (2) In Schedule 4 to each of the Acts of 1971 and 1972 (annual rates of duty on goods vehicles)—
- ^{F4}(a) ^{F5}
- (b)
- ^{F3}(3)
- ^{F6}(4)
- ^{F3}(5)
- (6) ^{F7} . . . section 102 of the ^{M2}Customs and Excise Management Act of 1979, as it applies in relation to licences under the Act of 1971, shall have effect subject to the further amendments in Part III of Schedule 1 to this Act.
- ^{F8}(7)
- ^{F8}(8)

Textual Amendments

- F3** S. 2(1)(3)(5) repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), Sch. 5 Pt. I (with s. 57(4))
- F4** S. 2(2)(a) repealed (8.11.1993) by S.I. 1993/2452, art. 3, Sch. 2
- F5** S. 2(2)(b) repealed by Finance Act 1990 (c. 29, SIF 107:2), s. 132, Sch. 19 Pt. II (in relation to licences taken out after 20.3.1990)
- F6** S. 2(4) repealed (1.10.1991) by Finance Act 1991 (c. 31, SIF 107:2), ss. 10, 123, Sch. 19 Pt. IV; S.I. 1991/2021, art. 2.
- F7** Words in s. 2(6) repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), Sch. 5 Pt. I (with s. 57(4))
- F8** S. 2(7)(8) repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), Sch. 5 Pt. I (with s. 57(4))

Marginal Citations

- M2** 1979 c. 2.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

3 Abolition of general betting duty on on-course bets.

- (1) General betting duty shall not be chargeable on any bet made on or after 29th March 1987 which is an on-course bet within the meaning of Part I of the ^{M3}Betting and Gaming Duties Act 1981 (in this section referred to as “the 1981 Act”) and, accordingly, with respect to bets made on or after that date, section 1 of the 1981 Act (charge to, and rates of, duty) shall be amended as follows—
 - (a) in subsection (1) after the words “on any bet” there shall be inserted “ which is not an on-course bet and ”; and
 - (b) in subsection (2) the words from the beginning of paragraph (a) to “bet” in paragraph (b) shall be omitted.
- (2) With respect to bets made on or after 29th March 1987 but before the betting commencement date within the meaning of section 6 of the ^{M4}Finance Act 1986, Part III of the ^{M5}Miscellaneous Transferred Excise Duties Act (Northern Ireland) 1972 (in this section referred to as “the 1972 Act”) (which made separate provision for Northern Ireland corresponding to that made by the 1981 Act and which ceased to have effect on the betting commencement date except in relation to bets made before that date) shall be deemed to have been amended as follows—
 - (a) in section 16(1) (charge of duty) after the words “on any bet” there shall be inserted “ which is not an on-course bet and ”; and
 - (b) in section 17 (rates of duty) in subsection (1) paragraph (a) and, in paragraph (b), the words from the beginning to “bet” shall be omitted.
- (3) In Schedule 1 to the 1981 Act (supplementary provisions)—
 - (a) in paragraph 1 (definitions) at the end of the definition of “general betting business” there shall be added the words “ or would or might involve such sums becoming so payable if on-course bets were not excluded from that duty ”; and
 - (b) in paragraph 2 (power to make regulations for administration of general betting duty) in sub-paragraph (4)(a) after the words “liable for duty” there shall be inserted “ or would be or might be or become liable for duty if on-course bets were not excluded from duty ”.
- (4) The amendments made by subsection (3) above shall be deemed to have come into force on 29th March 1987.
- (5) During the period beginning with 29th March 1987 and ending with the betting commencement date within the meaning of section 6 of the Finance Act 1986, in Schedule 2 to the 1972 Act (supplementary provisions) the references to a business which involves, or may involve, general betting duty becoming payable by any person and the references to any activity by reason of which a person is or may be or become liable for that duty shall be deemed to have included respectively references to a business which would or might involve that duty becoming payable, and to an activity by reason of which a person would be or might be or become liable for that duty, if on-course bets were not excluded from that duty.

Marginal Citations

- M3** 1981 c. 63.
M4 1986 c. 41.
M5 1972 c. 11 (N.I.).

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

F⁹4

Textual Amendments

F9 [S. 4](#) repealed (3.5.1994 with effect in accordance with [Sch. 3](#) of the amending Act) by [1994 c. 9, ss. 6, 258, Schs. 3, 26](#) Pt. II Note

5 Gaming machine licence duty: other amendments.

F¹⁰(1)

(2) In subsection (3) of section 26 of the 1981 Act (which provides that if one or more gaming machines are made available on any premises in such a way that they can be played, any gaming machine anywhere on the premises shall be treated as provided for gaming) after the word “and” there shall be inserted “ subject to subsection (3A) below ”.

(3) After subsection (3) of the said section 26 there shall be inserted the following subsection—

“(3A) The Commissioners may by regulations make provision for the purpose of enabling spare gaming machines to be kept on premises for use in the case of the breakdown of other gaming machines on those premises; and such regulations may provide that, in such circumstances and subject to such conditions as may be specified in the regulations, a gaming machine on any premises which is not made available as mentioned in subsection (3) above, or is not in a state in which it can be played, shall not be treated by virtue of that subsection as provided for gaming on those premises.”

F¹⁰(4)

F¹⁰(5)

Textual Amendments

F10 [S. 5\(1\)\(4\)\(5\)](#) repealed (3.5.1994 with effect in accordance with [Sch. 3](#) of the amending Act) by [1994 c. 9, ss. 6, 258, Schs. 3, 26](#) Pt. II Note

Amendments of the Management Act

F¹¹6

Textual Amendments

F11 [S. 6](#) repealed (1.1.1992) by [S.I. 1991/2724, reg. 9](#)

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

7 Powers of search and access etc. in respect of vehicles. 1979 c. 2.

- (1) In section 27 of the Customs and Excise Management Act 1979 (officers' power of boarding) in subsection (1) for the words from "a vehicle" to "any officer" there shall be substituted "a vehicle is—

- (a) entering, leaving or about to leave the United Kingdom,
- (b) within the prescribed area,
- (c) within the limits of or entering or leaving a port or any land adjacent to a port and occupied wholly or mainly for the purpose of activities carried on at the port,
- (d) at, entering or leaving an aerodrome,
- (e) at, entering or leaving an approved wharf, transit shed, customs warehouse or free zone, or
- (f) at, entering or leaving any such premises as are mentioned in subsection (1) of section 112 below,

any officer ”.

- (2) In section 28 of that Act (officers' powers of access, etc.) in subsection (1) after the words "any vehicle" there shall be inserted " which falls within paragraphs (a) to (f) of subsection (1) of section 27 above or is ”.

8 Local export control.

- (1) In section 58A of the Customs and Excise Management Act 1979 (local export control) at the end of subsection (1) there shall be inserted “ and, subject to and to such modifications as may be specified in the directions, this section and section 58D below shall apply in relation to goods which, for the purposes of any Community regulation relating to export refunds or monetary compensatory amounts, are treated as exports as if the supply of the goods were their exportation or, as the case may require, their shipping for exportation ”.

- (2) In subsection (3)(b) of that section (conditions for the application of local export control) after the word “shipped” there shall be inserted “ for exportation or exported by land ”.

- (3) After subsection (7) of that section (power of Commissioners to relax requirements) there shall be inserted—

“(7A) Without prejudice to the powers of the Commissioners under subsection (7) above, they may direct that, in relation to goods of a description specified in the directions which are shipped for exportation or exported by land by an exporter of a description so specified, paragraph (a) of subsection (3) above shall have effect as if—

- (a) in sub-paragraph (i) the words “time and” were omitted; and
- (b) for sub-paragraph (ii) there were substituted—
 - (ii) at the time that notice is delivered or immediately thereafter, the exporter enters such particulars of the goods and of such other matters as may be required by the directions in a record maintained by him at such place as the proper officer may require; and
 - (iii) the proper officer informs the exporter that he consents to the removal of the goods; and”

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

- (4) In section 58D of that Act (operative date for Community purposes) in subsection (2) (b) for the words following “above” there shall be substituted “ as set out in section 58A(7A)(b) above, the day entry is made ”.

9 Records relating to importation and exportation.

After section 75 of the ^{M6}Customs and Excise Management Act 1979 there shall be inserted the following—

“ Keeping and preservation of records

75A Records relating to importation and exportation.

- (1) Every person who is concerned (in whatever capacity) in the importation or exportation of goods of which an entry or specification is required for that purpose by or under this Act shall keep such records as the Commissioners may require.
- (2) The Commissioners may require any records kept in pursuance of this section to be preserved for such period not exceeding four years as they may require.
- (3) The duty under this section to preserve records may be discharged by the preservation of the information contained therein by such means as the Commissioners may approve; and where that information is so preserved a copy of any document forming part of the records shall, subject to the following provisions of this section, be admissible in evidence in any proceedings, whether civil or criminal, to the same extent as the records themselves.
- (4) The Commissioners may, as a condition of an approval under subsection (3) above of any means of preserving information, impose such reasonable requirements as appear to them necessary for securing that the information will be as readily available to them as if the records themselves had been preserved.
- (5) The Commissioners may at any time for reasonable cause revoke or vary the conditions of any approval given under subsection (3) above.
- (6) A statement contained in a document produced by a computer shall not by virtue of subsection (3) above be admissible in evidence—
 - (a) in civil proceedings in England and Wales, except in accordance with sections 5 and 6 of the Civil Evidence Act 1968;
 - (b) in criminal proceedings in England and Wales, except in accordance with sections 68 to 70 of the Police and Criminal Evidence Act 1984;
 - (c) in civil proceedings in Northern Ireland, except in accordance with sections 2 and 3 of the Civil Evidence Act (Northern Ireland) 1971; and
 - (d) in criminal proceedings in Northern Ireland, except in accordance with the said sections 2 and 3, which shall, for the purposes of this section, apply with the necessary modifications to such proceedings.”

Marginal Citations

M6 1979 c. 2.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

10 Information powers.

In section 77 of the ^{M7}Customs and Excise Management Act 1979 (information in relation to goods imported, exported or shipped for carriage coastwise) in subsection (1)(a) the words “importation, exportation or” shall be omitted, and after that section there shall be inserted the following section—

“77A Information powers.

- (1) Every person who is concerned (in whatever capacity) in the importation or exportation of goods for which an entry or specification is required for that purpose by or under this Act shall—
 - (a) furnish to the Commissioners, within such time and in such form as they may reasonably require, such information relating to the goods or to the importation or exportation as the Commissioners may reasonably specify; and
 - (b) if so required by an officer, produce or cause to be produced for inspection by the officer—
 - (i) at the principal place of business of the person upon whom the demand is made or at such other place as the officer may reasonably require, and
 - (ii) at such time as the officer may reasonably require, any documents relating to the goods or to the importation or exportation.
- (2) Where, by virtue of subsection (1) above, an officer has power to require the production of any documents from any such person as is referred to in that subsection, he shall have the like power to require production of the documents concerned from any other person who appears to the officer to be in possession of them; but where any such other person claims a lien on any document produced by him, the production shall be without prejudice to the lien.
- (3) An officer may take copies of, or make extracts from, any document produced under subsection (1) or subsection (2) above.
- (4) If it appears to him to be necessary to do so, an officer may, at a reasonable time and for a reasonable period, remove any document produced under subsection (1) or subsection (2) above and shall, on request, provide a receipt for any document so removed; and where a lien is claimed on a document produced under subsection (2) above, the removal of the document under this subsection shall not be regarded as breaking lien.
- (5) Where a document removed by an officer under subsection (4) above is reasonably required for the proper conduct of a business, the officer shall, as soon as practicable, provide a copy of the document, free of charge, to the person by whom it was produced or caused to be produced.
- (6) Where any documents removed under the powers conferred by this section are lost or damaged, the Commissioners shall be liable to compensate their owner for any expenses reasonably incurred by him in replacing or repairing the documents.
- (7) If any person fails to comply with a requirement under this section, he shall be liable on summary conviction to a penalty of level 3 on the standard scale.”

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

Marginal Citations

M7 1979 c. 2.

CHAPTER II

VALUE ADDED TAX

^{F12}**11**

Textual Amendments

F12 S. 11 repealed (1.9.1994) by 1994 c. 23, ss. 100(2), 101(1), **Sch. 15**

^{F13}**12**

Textual Amendments

F13 S. 12 repealed (1.9.1994) by 1994 c. 23, ss. 100(2), 101(2), **Sch. 15**

^{F14}**13**

Textual Amendments

F14 S. 13 repealed (1.9.1994) by 1994 c. 23, ss. 100(2), 101(2), **Sch. 15**

^{F15}**14**

Textual Amendments

F15 S. 14 repealed (1.9.1994) by 1994 c. 23, ss. 100(2), 101(2), **Sch. 15**

^{F16}**15**

Textual Amendments

F16 S. 15 repealed (1.9.1994) by 1994 c. 23, ss. 100(2), 101(1), **Sch. 15**

^{F17}**16**

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

Textual Amendments

F17 [S. 16](#) repealed (1.9.1994) by [1994 c. 23](#), ss. 100(2), 101(1), [Sch. 15](#)

F18 **17**

Textual Amendments

F18 [S. 17](#) repealed (1.9.1994) by [1994 c. 23](#), ss. 100(2), 101(1), [Sch. 15](#)

F19 **18**

Textual Amendments

F19 [S. 18](#) repealed (1.9.1994) by [1994 c. 23](#), ss. 100(2), 101(1), [Sch. 15](#)

F20 **19**

Textual Amendments

F20 [S. 19](#) repealed (1.9.1994) by [1994 c. 23](#), ss. 100(2), 101(1), [Sch. 15](#)

PART II

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER I

GENERAL

20–39 **F21**

Textual Amendments

F21 [Ss. 20–39](#) repealed by [Income and Corporation Taxes Act 1988](#) (c. 1, SIF 63:1), s. 844, [Sch. 31](#)

F22 **40**

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

Textual Amendments

F22 S. 40 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with [Sch. 11 paras. 22, 26\(2\), 27](#))

41–46 **F23**

Textual Amendments

F23 Ss. 41–46 repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, **Sch. 31**

CHAPTER II

47 **F24**

Textual Amendments

F24 S. 47 repealed by [Finance Act 1988 \(c. 39\)](#), s. 148, **Sch. 14 Pt. VII** Note 2

PART III

STAMP DUTY AND STAMP DUTY RESERVE TAX

Stamp duty

48 Unit trusts.

—In section of the ^{M8}Finance Act 1946 and in section 28 of the ^{M9}Finance (No. 2) Act (Northern Ireland) 1946—

- (a) for the definition in subsection (1) of “unit trust scheme” there shall be substituted—

““unit trust scheme” has the same meaning as in the Financial Services Act 1986 (but subject to subsection (1A) of this section);

- (b) in the definition in subsection (1) of “trust instrument”, for the words from “by virtue” to “aforesaid” there shall be substituted the words “ on which the property in question is held ”;

- (c) after subsection (1) there shall be inserted—

“(1A) The Treasury may by regulations provide that any scheme of a description specified in the regulations shall be treated as not being a unit trust scheme for the purposes of this Part of this Act.

- (1B) Regulations under this section—

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

- (a) may contain such supplementary and transitional provisions as appear to the Treasury to be necessary or expedient, and
- (b) shall be made by statutory instrument, which shall be subject to annulment in pursuance of a resolution of the House of Commons.”.

Marginal Citations

M8 1946 c. 64.

M9 1946 c. 17 (N.I.)⁹.

^{F25}**49 Contract notes.**

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Textual Amendments

F25 S. 49 repealed (27.7.1999 with effect as mentioned in Sch. 20 Pt. V(2) notes 1, 2 of the amending Act) by 1999 c. 16, s. 139, **Sch. 20 Pt. V(2)**

50 Warrants to purchase Government stock, etc.

- (1) Where an interest in, a right to an allotment of or to subscribe for, or an option to acquire [^{F26}or to dispose of], exempt securities is transferred to or vested in any person by any instrument, no stamp duty shall be chargeable on the instrument by virtue of [^{F27}Part I ^{F28}..., of Schedule 13 to the Finance Act 1999 (conveyance or transfer on sale or otherwise)]
- (2) No stamp duty under [^{F29}Schedule 15 to the Finance Act 1999 (bearer instruments)] shall be chargeable —
 - (a) on the issue of an instrument which relates to such an interest, right or option as is mentioned in subsection (1) above, or
 - (b) on the transfer of the interest, right or option constituted by, or transferable by means of, such an instrument.
- (3) For the purposes of this section, “exempt securities” means —
 - (a) securities the transfer of which is exempt from all stamp duties,
 - (b) securities constituted by or transferable by means of an instrument the issue of which is by virtue of section 30 of the Finance Act 1967 ^{F30} or section 7 of the Finance Act (Northern Ireland) 1967 ^{F31} [^{F32} or section 79(2) of the Finance Act 1986] exempt from stamp duty under the heading “Bearer Instrument” in Schedule 1 to the Stamp Act 1891 ^{F33}, or
 - (c) securities the transfer of which is exempt by virtue of section 30 of the Finance Act 1967 or section 7 of the Finance Act (Northern Ireland) 1967 [^{F34} or section 79(2) of the Finance Act 1986] from stamp duty under that heading;and “securities” means stock or marketable securities and includes loan capital as defined in section 78(7) of the Finance Act 1986 ^{F35}.
- (4) ^{F36}
- (5) ^{F36}

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

Textual Amendments

- F26** S. 50(1) words inserted by [1987 c. 51](#) s. 99(1)
- F27** Words in s. 50(1) substituted (with effect in accordance with [s. 112\(6\)](#) of the amending Act) by [Finance Act 1999 \(c. 16\)](#) ss. 112(4), 122, {Sch. 14 para. 21}
- F28** Words in s. 50(1) omitted (with effect in accordance with s. 99(2) of the amending Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 32 para. 17](#)
- F29** Words in s. 50(2) substituted (with application in accordance with [s. 113\(4\)](#) of the amending Act) by [Finance Act 1999 \(c. 16\)](#) s. 113(3), {Sch. 16 para. 10}
- F30** [1967 c. 54](#).
- F31** [1967 c. 20 \(N. I.\)](#).
- F32** S. 50(3) words inserted by [1987 c. 51](#) s. 99(2)
- F33** [1891 c. 39](#).
- F34** S. 50 (3) words inserted by [1987 c. 51](#) s. 99(2)
- F35** [1986 c. 41](#).
- F36** S. 50(4)(5) repealed (with effect as mentioned in Sch. 20 Pt. V(2) notes 1, 2 of the amending Act) by [Finance Act 1999 \(c. 16\)](#) s. 138, {Sch. 20 Pt. V(5)}

51

F37

Textual Amendments

- F37** [S. 51](#) repealed (with effect as mentioned in Sch. 20 Pt. V(2) notes 1, 2 of the amending Act) by [Finance Act 1999 \(c. 16\)](#) s. 138, {Sch. 20 Pt. 5(5)}

52 Clearance services

- (1) In section 70(6) of the Finance Act 1986 (transfer of securities to clearance system), for the word “relevant” (in each place where it occurs) there shall be substituted the words “shares, stock or other marketable”.
- (2) The amendments made by this section have effect in relation to instruments executed on or after 1st August 1987.

53

F38

Textual Amendments

- F38** [S. 53](#) repealed (with effect as mentioned in Sch. 18 Pt. VII note 4 of the amending Act) by [Finance Act 1997 \(c. 16\)](#) s. 113, {Sch. 18 Pt. 7}

^{F39}54 Shared ownership transactions.

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Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

Textual Amendments

- F39** S. 54 repealed (with effect in accordance with Sch. 39 para. 10(1) of the amending Act) by [Finance Act 2012 \(c. 14\)](#), **Sch. 39 para. 3(1)(c)** (with Sch. 39 paras. 11-13)

55 Crown exemption.

- (1) Where any conveyance, transfer or lease is made or agreed to be made
- ^{F40}(a) to a Minister of the Crown or
 - ^{F41}(b) to the solicitor for the affairs of Her Majesty's Treasury, ^{F42}or
 - ^{F43}(c) to the ^{F44}Welsh Ministers, the First Minister for Wales, the Counsel General to the Welsh Assembly Government or the National Assembly for Wales Commission], ^{F45}or
 - (d) to the Northern Ireland Assembly Commission]
- no stamp duty shall be chargeable ^{F46}under Part I or II, paragraph 16, of Schedule 13 to the Finance Act 1999] on the instrument by which the conveyance, transfer or lease, or the agreement for it is effected.
- (2) In this section “Minister of the Crown” has the same meaning as in the Ministers of the ^{M10}Crown Act 1975.
- (3) Article 3(6) of the Secretary of State for the ^{M11}Environment Order 1970 and Article 4(5) of the ^{M12}Secretary of State for Transport Order 1976 (which exempt transfers by, to or with those Ministers) shall cease to have effect.
- (4) This section applies to instruments executed on or after 1st August 1987.

Textual Amendments

- F40** S. 55(1): words re-numbered as sub-paragraph (a) (*retrospective* to 28.3.2000 with effect as mentioned in [s. 132\(4\)](#) of the amending Act) by virtue of [2000 c. 17, s. 132\(2\)\(a\)](#)
- F41** S. 55(1): words re-numbered as sub-paragraph (b) (*retrospective* to 28.3.2000 with effect as mentioned in [s. 132\(4\)](#) of the amending Act) by virtue of [2000 c. 17, s. 132\(2\)\(b\)](#)
- F42** Words in s. 55(1) inserted (1.4.1999) by [1998 c. 38, s. 125](#), **Sch. 12 para. 25** (with [ss. 137\(1\), 139\(2\), 143\(2\)](#)); [S.I. 1999/782, art. 2](#)
- F43** S. 55(1): words re-numbered as sub-paragraph (c) (*retrospective* to 28.3.2000 with effect as mentioned in [s. 132\(4\)](#) of the amending Act) by virtue of [2000 c. 17, s. 132\(2\)\(c\)](#)
- F44** Words in s. 55(1)(c) inserted by [Government of Wales Act 2006 \(c. 32\)](#), s. 160, Sch. 10 para. 20 (with Sch. 11 para. 22), the amending provision coming into force immediately after “the 2007 election” (held on 3.5.2007) subject to s. 161(1)(4)(5) of the amending Act, which provides for certain provisions to come into force for specified purposes immediately after the end of “the initial period” (which ended with the day of the first appointment of a First Minister on 25.5.2007) - see [ss. 46, 161\(4\)\(5\)](#) of the amending Act.
- F45** S. 55(1)(d) and the word “or” immediately preceding it inserted (*retrospective* to 28.3.2000 with effect as mentioned in [s. 132\(4\)](#) of the amending Act) by [2000 c. 17, s. 132\(3\)](#)
- F46** Words in s. 55(1) substituted for the words “by virtue of any of the following headings” to “Lease of Tack”(27.7.1999) by [1999 c. 16, s. 139](#), **Sch. 14 para. 22**

Modifications etc. (not altering text)

- C1** S. 55 extended (20.5.1999) by [c. 46, s. 123](#) (with [s. 126\(3\)-\(11\)](#)); [S.I. 1998/3178, art. 2\(2\)](#), **Sch. 4**

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

Marginal Citations

M10 1975 c.26.

M11 S.I. 1970/1681.

M12 S.I. 1976/1775.

56 Stamp duty reserve tax

Schedule 7 to this Act (which contains miscellaneous amendments of Part IV of the Finance Act 1986 ^{F47}) shall have effect.

Textual Amendments

F47 1986 c. 41.

PART IV

INHERITANCE TAX

57 Reduced rates of tax.

- (1) In the ^{M13}Inheritance Tax Act 1984 (in this Part of this Act referred to as “the 1984 Act”) section 8(1) (indexation of rate bands) shall not apply to chargeable transfers made in the year beginning 6th April 1987.
- (2) For the Table in Schedule 1 to that Act there shall be substituted the Table set out below:

“TABLE OF RATES OF TAX

Portion of value		Rate of tax
<i>Lower limit</i>	<i>Upper limit</i>	<i>Per cent</i>
£	£	
Lower Limit £	Upper Limit £	Per cent.
0	90,000	Nil
90,000	140,000	30
140,000	220,000	40
220,000	330,000	50
330,000		60”

- (3) Subsection (2) above applies to any chargeable transfer (within the meaning of the 1984 Act) made on or after 17th March 1987.

Marginal Citations

M13 1984 c. 51.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

58 Securities, other business property and agricultural property.

- (1) The 1984 Act and Schedule 20 to the Finance Act 1986 (gifts with reservation) shall have effect subject to the amendments in Schedule 8 to this Act, being amendments—
 - (a) making provisions with respect to the treatment for the purposes of the 1984 Act of shares and securities dealt in on the Unlisted Securities Market;
 - (b) making other amendments of Chapter I of Part V of the 1984 Act (business property);
 - (c) making provision with respect to the application to certain transfers of relief under that Chapter and under Chapter II of that Part (agricultural property); and
 - (d) making provision with respect to the payment of tax by instalments.
- (2) Subject to subsection (3) below, Schedule 8 to this Act shall have effect in relation to transfers of value made, and other events occurring, on or after 17th March 1987.
- (3) The amendments of the 1984 Act made by Schedule 8 to this Act shall be disregarded in determining under section 113A(3) or section 113B(3) of the 1984 Act whether any property acquired by the transferee before 17th March 1987 would be relevant business property in relation to a notional transfer of value made on or after that date.

59 Maintenance funds for historic buildings etc.

Schedule 9 to this Act shall have effect.

60 Acceptance in lieu: waiver of interest.

- (1) In section 233 of the 1984 Act (interest on unpaid tax) in subsection (1), at the beginning of the words following paragraph (c) there shall be inserted the words “then, subject to subsection (1A) below”.
- (2) After subsection (1) of that section there shall be inserted the following subsection—

“(1A) If, under section 230 above, the Board agree to accept property in satisfaction of any tax on terms that the value to be attributed to the property for the purposes of that acceptance is determined as at a date earlier than that on which the property is actually accepted, the terms may provide that the amount of tax which is satisfied by the acceptance of the property shall not carry interest under this section from that date.”
- (3) This section applies in any case where the acceptance referred to in section 230 of the 1984 Act occurs on or after 17th March 1987.

PART V

OIL TAXATION

61 Nomination of disposals and appropriations.

- (1) The provisions of Schedule 10 to this Act shall have effect, being provisions for and in connection with the establishment of a scheme of nominations by participants in oil fields of certain proposed sales^{F48}... of oil.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

(2) Nothing in this section or Schedule 10 to this Act applies—

- (a) to oil which is gaseous at a temperature of 15 degrees centigrade and pressure of one atmosphere; or
- (b) to oil of a kind which is normally disposed of crude by deliveries in quantities of 25,000 metric tonnes or less; or
- (c) to oil which is excluded from this section by regulations under subsection (8) below;

and references to oil in this section and Schedule 10 to this Act shall be construed accordingly.

^{F49}(3) If the market value of a relevant delivery ascertained in accordance with Schedule 3 to the principal Act exceeds a participator's delivery proceeds of a relevant delivery (within the meaning given by Schedule 10), the excess shall be brought into account by him in accordance with section 2(5)(e) of the principal Act.

(4) If a relevant delivery is a delivery of blended oil within the meaning of section 63, regulations under section 2(5B) of the principal Act shall apply for the purposes of determining the proportion of the excess attributable to a field.

(4A) For each month in which a participator makes a relevant delivery, his monthly excess is the sum of his excesses (if any) calculated in accordance with subsection (3).

(4B) For each chargeable period of an oil field “the excess of nominated proceeds for the period” means, in relation to a participator in the oil field, that proportion of the sum of his monthly excesses for the chargeable period (if any) which is attributable to the field.]

(5) In subsection (5) of section 2 of the principal Act (amounts to be taken into account in determining whether a gross profit or loss accrues to a participator in any chargeable period) at the end of paragraph (d) there shall be added “and”

- (e) the excess of the nominated proceeds for that period, as defined in section 61 of the Finance Act 1987.”

^{F50}(6)

^{F51}(7)

(8) The Board may by regulations made by statutory instrument make provision, including provision having effect with respect to things done on or after ^{F52}1st July 2006],—

- (a) as to oil which is excluded from this section, as mentioned in subsection (2) above; and
- (b) for any purpose for which regulations, other than those described as “Treasury regulations”, may be made under Schedule 10 to this Act;

and regulations made by virtue of paragraph (a) above may amend paragraphs (a) and (b) of subsection (2) above.

(9) A statutory instrument made in the exercise of the power conferred by ^{F53}... subsection (8) above shall ^{F54}(unless otherwise expressly provided)] be subject to annulment in pursuance of a resolution of the Commons House of Parliament.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

Textual Amendments

- F48** Words in s. 61(1) repealed (with effect in accordance with s. 149(7) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 149\(2\), Sch. 26 Pt. 5\(2\)](#)
- F49** S. 61(3)-(4B) substituted for s. 61(3)(4) (with effect in accordance with s. 149(7) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 149\(3\)](#)
- F50** S. 61(6) repealed (with effect in accordance with s. 149(7) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 149\(4\), Sch. 26 Pt. 5\(2\)](#)
- F51** S. 61(7) repealed (with effect in accordance with s. 149(7) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 149\(4\), Sch. 26 Pt. 5\(2\)](#)
- F52** Words in s. 61(8) substituted (with effect in accordance with s. 149(7) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 149\(5\)](#)
- F53** Words in s. 61(9) repealed (with effect in accordance with s. 149(7) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 149\(6\)\(a\), Sch. 26 Pt. 5\(2\)](#)
- F54** Words in s. 61(9) inserted (with effect in accordance with s. 149(7) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 149\(6\)\(b\)](#)

Modifications etc. (not altering text)

- C2** Part of the text of s. 61(5) is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991
- C3** For regulations see Part III (under “Petroleum Revenue Tax: nomination scheme for disposals and appropriations”)

62 Market value of oil to be determined on a monthly basis.

- (1) In the following provisions of the principal Act (which refer to the market value of oil at the material time in a particular calendar month) the words “at the material time” shall be omitted—
- in section 2 (assessable profits and allowable losses), in subsection (9), paragraphs (a)(i) and (a)(ii);
 - in section 5A (allowance of exploration and appraisal expenditure), subsection (5B);
 - in section 14 (valuation of oil disposed of or appropriated in certain circumstances), subsections (4) and (4A)(b); and
 - in paragraph 2 of Schedule 2 (returns by participators), sub-paragraphs (2)(a)(iii) and (2)(b)(ii).
- (2) In the following provisions of the principal Act (which refer to the market value of stocks of oil at the end of a chargeable period) for the words “at the end” there shall be substituted “in the last calendar month”
- section 2(4)(b);
 - section 2(5)(d); and
 - ^{F55}.....
- and in the provisions specified in paragraphs (a) and (b) above for the word “then” there shall be substituted “at the end of that period”.
- (3) In Schedule 3 to the principal Act (miscellaneous provisions relating to petroleum revenue tax) paragraphs 2, 2A and 3 (market value of oil) shall be amended in accordance with Part I of Schedule 11 to this Act; and the consequential amendments of the principal Act in Part II of that Schedule shall have effect.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

[^{F56}(3A) Subsection (4) applies to a participator in an oil field in any case where—

- (a) paragraph 2 of Schedule 2 to the principal Act requires the participator to make a return for any chargeable period (including cases where the latest time for the delivery of that return is deferred), and
- (b) there are any relevant sales of Category 2 oil (as defined in subsection (6) below).]

[^{F57}(4) In such a case, that participator shall also be required, not later than the end of the second month after the end of that chargeable period, to deliver to the Board a return of all relevant sales of Category 2 oil stating—]

- (a) the date of the contract of sale;
- (b) the name of the seller;
- (c) the name of the buyer;
- (d) the quantity of [^{F58}Category 2 oil] actually sold and, if it is different, the quantity of [^{F58}Category 2 oil] contracted to be sold;
- (e) the price receivable for that [^{F59}Category 2 oil];
- (f) the date which, under the contract, was the date or, as the case may be, the latest date for delivery of the [^{F60}Category 2 oil] and the date on which the [^{F60}Category 2 oil] was actually delivered; and
- (g) such other particulars as the Board may prescribe.

(5) Where two or more companies which are participators in the same oil field are members of the same group of companies, within the meaning of section [^{F61}413] of the Taxes Act, a return made for the purposes of subsection (4) above by one of them and expressed also to be made on behalf of the other or others shall be treated for the purposes of this section as a return made by each of them.

(6) For the purposes of the return required by subsection (4) above from a participator in an oil field, a relevant sale of [^{F62}Category 2 oil] is a contract for the sale of [^{F62}Category 2 oil][^{F63}at arm's length] to which the participator or any company which is resident in the United Kingdom and associated with the participator for the purposes of section 115(2) of the ^{M14}Finance Act 1984 is a party (as seller, buyer or otherwise), being a sale of [^{F62}Category 2 oil]—

- (a) for delivery at any time during the chargeable period referred to in [^{F64}subsection (3A)] above; and

[^{F65}(b) details of which are not included in a return for the period under paragraph 2 of Schedule 2 to the principal Act which is delivered to the Board at the same time as the return required by subsection (4) above or which was delivered to them previously; and]

- (c) which is for the delivery of at least 500 metric tonnes of [^{F66}Category 2 oil];

^{F67}(d)

(7) A return under subsection (4) above shall be in such form as the Board may prescribe and shall include a declaration that the return is correct and complete; and if a participator fails to deliver a return under that subsection he shall be liable—

- (a) to a penalty not exceeding £500; and
- (b) if the failure continues after it has been declared by the court or the [^{F68}tribunal before which] proceedings for the penalty have been commenced, to a further penalty not exceeding £100 for each day on which the failure so continues;

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

except that a participator shall not be liable to a penalty under this subsection if the failure is remedied before proceedings for the recovery of the penalty are commenced.

- (8) Where a participator fraudulently or negligently delivers an incorrect return under subsection (4) above, he shall be liable to a penalty not exceeding £2,500 or, in the case of fraud, £5,000.

[^{F69}(8A) For provision about the meaning of “Category 2 oil”, see paragraph 2 of Schedule 3 to the principal Act (which applies by virtue of section 72(6) below).]

- (9) This section has effect with respect to chargeable periods ending after 31st December 1986.

Textual Amendments

- F55** S. 62(2)(c) repealed (with effect in accordance with Sch. 26 Pt. 5(1) Note 2 of the amending Act) by [Finance Act 2006 \(c. 25\)](#), **Sch. 26 Pt. 5(1)**
- F56** S. 62(3A) inserted (with effect in accordance with s. 106(7) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 106(2)**
- F57** Words in s. 62(4) substituted (with effect in accordance with s. 106(7) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 106(3)**
- F58** Words in s. 62(4)(d) substituted (with effect in accordance with s. 106(7) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 106(4)**
- F59** Words in s. 62(4)(e) substituted (with effect in accordance with s. 106(7) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 106(4)**
- F60** Words in s. 62(4)(f) substituted (with effect in accordance with s. 106(7) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 106(4)**
- F61** [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), **Sch. 29 para. 32**
- F62** Words in s. 62(6) substituted (with effect in accordance with s. 106(7) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 106(5)(a)**
- F63** [Finance \(No. 2\) Act 1987 \(c. 51, SIF 63:1\)](#), **s. 101(2)(5)** for chargeable periods ending after 1 January 1987
- F64** Words in s. 62(6)(a) substituted (with effect in accordance with s. 106(7) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 106(5)(b)**
- F65** S. 62(6)(b) substituted (27.7.1999 with effect in relation to chargeable periods ending on or after 30.6.1999) by [1999 c. 16](#), **s. 102(7)(8)**
- F66** Words in s. 62(6)(c) substituted (with effect in accordance with s. 106(7) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 106(5)(c)**
- F67** S. 62(6)(d) and word preceding it omitted (with effect in accordance with s. 106(7) of the amending Act) by virtue of [Finance Act 2008 \(c. 9\)](#), **s. 106(5)(d)**
- F68** Words in s. 62(7)(b) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 127**
- F69** S. 62(8A) inserted (with effect in accordance with s. 106(7) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **s. 106(6)**

Marginal Citations

- M14** [1984 c. 43](#).

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

[^{F70}63 Blends of oil from two or more fields.

- (1) This section applies if, at any time before its disposal or relevant appropriation, oil won from an oil field (“the relevant field”) in a chargeable period (“the relevant period”) is mixed with oil won from one or more other oil fields.
- (2) A relevant participant's share of oil won from the relevant field in the relevant period is to be taken to be the amount of the blended oil that it is just and reasonable (for the purposes of the oil taxation legislation) to allocate to the participant in respect of the relevant period.
- (3) In making the allocation regard must be had (in particular) to the quantity and quality of the oil derived from each of the originating fields.
- (4) If the participants in the originating fields select a method for making the allocation, that method is to be used to determine that allocation.
- (5) But that is subject to Schedule 12.
- (6) If the participants in the originating fields fail to select a method for making the allocation, HMRC may select a method.
- (7) In a case where only some oil won from the relevant field in the relevant period is, before its disposal or relevant appropriation, mixed with oil won from one or more other fields, subsection (2) has effect for the purpose of determining the amount of the blended oil that is to be taken to be included in a relevant participant's share of oil won from the relevant field.
- (8) Schedule 12 contains provision supplementing this section.
- (9) In this section and Schedule 12—
 - “blended oil” means oil that consists of oil from two or more oil fields that has been mixed;
 - “foreign field” means an area which is a foreign field for the purposes of section 12 of the Oil Taxation Act 1983;
 - “oil” includes any substance which would be oil if the enactments mentioned in section 1(1) of the principal Act extended to a foreign field;
 - “oil field” includes a foreign field;
 - “oil taxation legislation” means Part 1 of the principal Act and any enactment construed as one with that Part;
 - “originating fields”, in relation to any blended oil, means the oil fields from which oil which has been mixed as mentioned in subsection (1);
 - “relevant participant” means a person who is a participant in the relevant field at any time in the relevant period.]

Textual Amendments

F70 S. 63 substituted (with effect in accordance with Sch. 39 para. 4 of the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 39 para. 2](#)

64 Relief for research expenditure.

- (1) The section set out in Part I of Schedule 13 to this Act shall be inserted in the principal Act after section 5A for the purpose of setting up a new allowance by virtue of which

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

a participator in an oil field may obtain relief for certain research expenditure which is incurred otherwise than in connection with that field.

- (2) For the purpose of giving effect to, and in consequence of, the new allowance, the enactments specified in Part II of Schedule 13 to this Act shall have effect subject to the amendments there specified.
- (3) Part III of Schedule 13 to this Act shall have effect with respect to sums falling to be set off against expenditure which would otherwise be allowable under the new section set out in Part I of that Schedule.

65 Cross-field allowance of certain expenditure incurred on new fields.

- (1) Where an election is made by a participator in an oil field (in this section referred to as “the receiving field”), up to 10 per cent. of certain expenditure incurred on or after 17th March 1987 in connection with another field, being a field which is for the purposes of this section a relevant new field, shall be allowable in accordance with this section in respect of the receiving field; and in the following provisions of this section the relevant new field in connection with which the expenditure was incurred is referred to as “the field of origin”.
- (2) An election under this section may be made only in respect of expenditure which—
 - (a) was incurred by the participator making the election or, if that participator is a body corporate, by an associated company; and
 - (b) as regards the field of origin, is allowable under section 3 or section 4 of the principal Act or section 3 of the ^{M15}Oil Taxation Act 1983; and
 - (c) as regards the field of origin, has been allowed as qualifying for supplement under section 2(9)(b)(ii) or (c)(ii) of the principal Act (in the following provisions of this section referred to as “supplement”); and
 - (d) is not expenditure falling within subsection (1) of section 5A of the principal Act (allowance of exploration and appraisal expenditure);and Part I of Schedule 14 to this Act shall have effect with respect to elections under this section.
- (3) A participator may not make an election under this section in respect of expenditure which was incurred before the date which is his qualifying date, within the meaning of section 113 of the ^{M16}Finance Act 1984 (restriction of PRT reliefs), in relation to the receiving field unless that date falls before the end of the first chargeable period in relation to that field.
- (4) Where, by virtue of an election by a participator under this section, an amount of expenditure is allowable in respect of the receiving field, it shall be allowable as follows—
 - (a) it shall be taken into account in that assessment to tax or determination relating to a chargeable period of the receiving field which is specified in Part II of Schedule 14 to this Act; and
 - (b) it shall be so taken into account under subsection (8) of section 2 of the principal Act (allowable expenditure etc.) as if, for the chargeable period in question, it were an addition to the sum mentioned in paragraph (a) of that subsection; and
 - (c) it shall be excluded in determining for the purposes of section 111(2) of the ^{M17}Finance Act 1981 (restriction of expenditure supplement) whether any, and

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if so what, assessable profit or allowable loss accrues to the participator in any chargeable period of the receiving field.

- (5) Where, by virtue of an election by a participator under this section, an amount of expenditure is allowable in respect of the receiving field, that amount shall be disregarded in determining, as regards the field of origin, the amounts referred to (in relation to the participator or the associated company, as the case may be) in paragraph (b) or paragraph (c) of subsection (9) of section 2 of the principal Act (allowable expenditure and supplement thereon).
- (6) In Schedule 14 to this Act—
- (a) Part III has effect to determine for the purposes of this section what is a relevant new field and who is an associated company of a participator making an election;
 - (b) Part IV contains provisions supplemental to and consequential upon the allowance of expenditure by virtue of an election under this section, including provisions applicable where a notice of variation is served in respect of expenditure which is already the subject of such an election;
 - (c) “the receiving field” and “the field of origin” have the meaning assigned by subsection (1) above;
 - (d) “the principal section” means this section;
 - (e) “election” means an election under this section; and
 - (f) “supplement” has the meaning assigned by subsection (2)(c) above.

Marginal Citations

M15 1983 c. 56.

M16 1984 c. 43.

M17 1981 c. 35.

66 Oil allowance: adjustment for final periods.

- (1) For the purposes of this section—
- (a) “the final allocation period”, in relation to an oil field, means the chargeable period of that field in which section 8(6)(b) of the principal Act applies (the earliest chargeable period in which oil allowance is subject to “the necessary restriction” in order to confine it within the overall maximum); and
 - (b) “the penultimate period”, in relation to an oil field, means the chargeable period of that field which immediately precedes the final allocation period;
- and any reference in this section to the two final periods is a reference to the final allocation period and the penultimate period.
- (2) The following provisions of this section apply if the responsible person gives notice to the Board (in this section referred to as an “apportionment notice”) specifying the manner in which the oil allowance for the field is to be apportioned between the participators in each of the two final periods, being a manner designed—
- (a) to produce, so far as practicable, the result specified in subsection (4) below, being a result which, in the circumstances of the case, could not be achieved under section 8(6)(b) of the principal Act; and
 - (b) to secure that adjustments in a participator’s share of the oil allowance are made in the final allocation period in preference to the penultimate period.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

- (3) An apportionment notice shall be of no effect unless—
- (a) it is given not later than six months after the expiry of the final allocation period; and
 - (b) not later than the date of the notice the responsible person notifies the Board in accordance with paragraph (b) of subsection (6) of section 8 of the principal Act of the manner in which the necessary restriction, as defined in that subsection, is to be apportioned between the participators; and
 - (c) it specifies a period for each of paragraphs (a) and (b) of subsection (4) below; and
 - (d) it contains such information as the Board may prescribe for the purpose of showing how, or to what extent, the apportionment of the oil allowance achieves the result specified in subsection (4) below.
- (4) The result referred to in subsection (2) above is that the respective shares of the oil allowance utilised by each of two or more participators specified in the apportionment notice bear to each other the same proportion as their respective shares in oil won and saved from the field and, for this purpose—
- (a) a participator's share of the oil allowance means the total amount of the allowance utilised by him over the period specified for the purpose of this paragraph in the apportionment notice; and
 - (b) a participator's share in oil won and saved from the field means the total of the oil included in his share of oil won and saved from the field (as specified in returns under Schedule 2 to the principal Act) over the period specified for the purposes of this paragraph in the apportionment notice, being a period which includes that specified for the purposes of paragraph (a) above.
- (5) If the Board are satisfied that an apportionment notice complies with subsections (2) to (4) above, they shall give notice to the responsible person accepting the apportionment notice and, on the giving of that notice—
- (a) the apportionment specified in the apportionment notice shall, as respects the two final periods, have effect as if it were the apportionment resulting from section 8(2) of the principal Act; and
 - (b) all such amendments of assessments to tax and determinations shall be made as may be necessary in consequence of paragraph (a) above.
- (6) If the Board are not satisfied that an apportionment notice complies with subsections (2) to (4) above, they shall give notice to the responsible person rejecting the apportionment notice and, where the Board give such a notice, the responsible person may, by notice in writing given to the Board within thirty days after the date of the notice of rejection, appeal^{F71} ... against the notice.
- (7) Where notice of appeal is given under subsection (6) above—
- (a) if, at any time after the giving of the notice and before the determination of the appeal by the [F72tribunal], the Board and the appellant agree that the apportionment notice should be accepted or withdrawn or varied, the same consequences shall ensue as if the [F73tribunal] had determined the appeal to that effect;
 - (b) if [F73the appeal is notified to the tribunal and] it appears to the [F74tribunal] that the apportionment notice should be accepted, with or without modifications, [F75the tribunal shall] allow the appeal and, where appropriate, make such modifications of the apportionment specified in the notice as [F76the tribunal thinks] fit; and

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

- (c) where the appeal is allowed, subsection (5) above shall apply as if the apportionment notice (subject to any modifications made by the [^{F77}tribunal]) had been accepted by the Board.

[^{F78}(8) Paragraphs 14(2), (8) and (11) and 14A to 14I of Schedule 2 to the principal Act shall apply in relation to an appeal under subsection (6) as they apply in relation to an appeal against an assessment or determination made under that Act subject to the following modifications—

- (a) any reference in those paragraphs to a participator is to be construed as a reference to the responsible person by whom notice of appeal is given;
- (b) any reference to an agreement under paragraph 14(9) shall be construed as a reference to an agreement under subsection (7)(a) above;
- (c) any other modifications that are necessary.]

(9) This section applies where the final allocation period ends on or after 30th June 1987.

Textual Amendments

- F71** Words in s. 66(6) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 129(2)**
- F72** Word in s. 66(7)(a) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 129(3)(a)**
- F73** Words in s. 66(7)(b) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 129(3)(b)(i)**
- F74** Word in s. 66(7)(b) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 129(3)(b)(ii)**
- F75** Words in s. 66(7)(b) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 129(3)(b)(iii)**
- F76** Words in s. 66(7)(b) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 129(3)(b)(iv)**
- F77** Word in s. 66(7)(c) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 129(3)(c)**
- F78** S. 66(8) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 129(4)**

67 Variation of decisions on claims for allowable expenditure.

In Schedule 7 to the principal Act (claim for allowance of certain exploration expenditure etc.) at the end of the Table set out in paragraph 1(3) (which applies the provisions of Schedule 5 specified in the first column of the Table with the modifications specified in the second column) there shall be added—

“9

In sub-paragraph (2) omit paragraphs (b) and (c), in sub-paragraph (8) for the reference to all or any of the participators substitute a reference to the participator by whom the claim is made and in sub-paragraph (11) for “after 15th March 1983” substitute “on or after 17th March 1987 ”.”

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

Modifications etc. (not altering text)

- C4** Part of the text of s. 67 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991

PART VI

MISCELLANEOUS AND SUPPLEMENTARY

68 Abolition of enactments relating to exchange control.

- (1) The ^{M18}Exchange Control Act 1947 shall cease to have effect.
- (2) Nothing in subsection (1) above affects the power of the Treasury to issue a certificate under subsection (2) of section 18 of that Act (including that subsection as applied by section 28(3) or section 29(3) of that Act) with respect to acts done before 13th December 1979.
- ^{F79}(3)
- (4) Subsections (1) and (2) above extend to the Channel Islands and the Isle of Man.

Textual Amendments

- F79** S. 68(3) repealed (6.3.1992 with effect as mentioned in s. 289(1) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with [Sch. 11 paras. 22, 26\(2\), 27](#))

Marginal Citations

- M18** 1947 c. 14.

69 Regulation of financial dealings.

In section 2 of the ^{M19}Banking and Financial Dealings Act 1971 (power of Treasury to suspend financial dealings)—

- (a) at the end of paragraph (c) of subsection (1) (power to suspend dealings in gold) there shall be added “ or, according as may be specified in the order, gold of such kind as may be so specified ”; and
- (b) in subsection (6) for the definition beginning “foreign currency” there shall be substituted—

““foreign currency” means any currency other than sterling and any units of account defined by reference to more than one currency (whether or not including sterling); and

“gold” includes gold coin, gold bullion and gold wafers.”

Marginal Citations

- M19** 1971 c. 80.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987. (See end of Document for details)

70 Arrangements specified in Orders in Council relating to double taxation relief etc.

^{F80}(1)

^{F81}(2)

Textual Amendments

F80 S. 70(1) repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, **Sch. 31**

F81 S. 70(2) repealed (19.7.2006) by [Finance Act 2006 \(c. 25\)](#), **Sch. 26 Pt. 8(2)**

71 ^{F82}

Textual Amendments

F82 S. 71 repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#)

72 Short title, interpretation, construction and repeals.

- (1) This Act may be cited as the Finance Act 1987.
- (2) In this Act “the Taxes Act” means the ^{M20}Income and Corporation Taxes Act 1970.
- (3) Part II of this Act, so far as it relates to income tax, shall be construed as one with the Income Tax Acts, so far as it relates to corporation tax, shall be construed as one with the Corporation Tax Acts and, so far as it relates to capital gains tax, shall be construed as one with the ^{M21}Capital Gains Tax Act 1979.
- (4) Part III of this Act, except section 56 and Schedule 7, shall be construed as one with the ^{M22}Stamp Act 1891.
- (5) In Part IV of this Act “the 1984 Act” means the ^{M23}Inheritance Tax Act 1984.
- (6) Part V of this Act shall be construed as one with Part I of the ^{M24}Oil Taxation Act 1975 and in that Part “the principal Act” means that Act.
- (7) The enactments specified in Schedule 16 to this Act (which include enactments which are spent or otherwise unnecessary) are hereby repealed to the extent specified in the third column of that Schedule, but subject to any provision at the end of any Part of that Schedule.

Marginal Citations

M20 1970 c. 10.

M21 1979 c. 14.

M22 1891 c. 39.

M23 1984 c. 51.

M24 1975 c. 22.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1987.