



# Finance Act 1987

## 1987 CHAPTER 16

### 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 participators in oil fields of certain proposed sales <sup>F1</sup>... of oil.
- (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.
- <sup>F2</sup>(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

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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1987, Section 61. (See end of Document for details)*

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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.”

<sup>F3</sup>(6) .....

<sup>F4</sup>(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 [<sup>F5</sup>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 <sup>F6</sup>... subsection (8) above shall [<sup>F7</sup>(unless otherwise expressly provided)] be subject to annulment in pursuance of a resolution of the Commons House of Parliament.

#### Textual Amendments

- F1** 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\(2\)](#)
- F2** 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\(3\)](#)
- F3** 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\(2\)](#)
- F4** 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\(2\)](#)
- F5** 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\(5\)](#)
- F6** 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\(2\)](#)
- F7** 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)

- C1** 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
- C2** For regulations see Part III (under “Petroleum Revenue Tax: nomination scheme for disposals and appropriations”)

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1987, Section 61.