



Finance Act 1988

1988 CHAPTER 39

PART IV

MISCELLANEOUS AND GENERAL

Petroleum revenue tax

138 Reduced oil allowance for certain Southern Basin and onshore fields.

- (1) For every relevant Southern Basin or onshore field, as defined in subsection (2) below, section 8 of the ^{M1}Oil Taxation Act 1975 (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 “ 125,000 metric tonnes ”; and
 - (b) in subsection (6) (the total allowance for a field) for “5 million metric tonnes” there shall be substituted “ 25 million metric tonnes ”.
- (2) Subject to subsection (3) below, for the purposes of this section a “relevant Southern Basin or onshore field” is any oil field other than one—
 - (a) which is a relevant new field for the purposes of section 36 of the ^{M2}Finance Act 1983 (increased oil allowance for certain new fields); or
 - (b) for any part of which consent for development was granted to the licensee by the Secretary of State before 1st April 1982; or
 - (c) for any part of which a programme of development was 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 field in question”) is a relevant Southern Basin or onshore 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—

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- (a) in whole or in part that consent or programme related to another oil field for which a determination under Schedule 1 to the ^{M3}Oil Taxation Act 1975 was made before the determination under that Schedule for the field in question; and
 - (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 Secretary of State and that consent or programme relates, in whole or in part, to the field in question.
- (4) Subsections (4) and (5) of section 36 of the Finance ^{M4}Act 1983 (which define “development” for the purposes of subsections (2) and (3) of that section) shall apply also for the purposes of subsections (2) and (3) of this section.
- (5) This section shall have effect in relation to chargeable periods ending after 30th June 1988.
- (6) This section shall be construed as one with Part I of the ^{M5} Oil Taxation Act 1975.

Marginal Citations

- M1** 1975 c. 22.
- M2** 1983 c. 28.
- M3** 1975 c. 22.
- M4** 1983 c. 28.
- M5** 1975 c. 22.

139 ^{X1}Assets generating tariff receipts: extension of allowable expenditure.

- (1) In Part I of Schedule 1 to the ^{M6}Oil Taxation Act 1983 (extensions of allowable expenditure for assets generating receipts) paragraph 3 (expenditure on enhancing the value of assets no longer in use for the principal field) shall be amended as follows—
- (a) in sub-paragraph (1)(a) after the words “enhancing the value of” there shall be inserted “ or otherwise in connection with ”;
 - (b) in sub-paragraph (1)(d) for the words “the expenditure” there shall be substituted “ either the use of the asset ” and after the words “tariff receipts or” there shall be inserted “ the expenditure ”.
- (2) This section shall have effect with respect to expenditure incurred on or after 15th March 1988.

Editorial Information

- X1** The text of s. 139 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.

Marginal Citations

- M6** 1983 c. 56.

Status:

Point in time view as at 01/02/1991.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1988, Cross Heading:
Petroleum revenue tax.