



Finance Act 1990

1990 CHAPTER 29

PART IV

MISCELLANEOUS AND GENERAL

Petroleum revenue tax

121 Limit on PRT repayment interest where loss carried back.

- (1) Schedule 2 to the ^{M1}Oil Taxation Act 1975 (management and collection of PRT) shall be amended as follows.
- (2) At the beginning of paragraph 16 (interest on repayments)
there shall be inserted the words “ Subject to paragraph 17 below ”.
- (3) After that paragraph there shall be inserted the following paragraph—

“17

- (1) This paragraph applies where—
 - (a) an assessment made on a participator for a chargeable period or an amendment of such an assessment (in this paragraph referred to as “the relevant assessment or amendment”) gives effect to relief under subsection (2) or subsection (3) of section 7 of this Act for one or more allowable losses accruing in a later chargeable period (in this paragraph referred to, in relation to the relevant assessment or amendment, as “the relief for losses carried back”); and
 - (b) the later chargeable period referred to in paragraph (a) above ends after 30th June 1991; and
 - (c) an amount of tax becomes repayable to the participator by virtue of the relevant assessment or amendment (whether wholly or partly by reason of giving effect to the relief for losses carried back).

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1990, Section 121. (See end of Document for details)

- (2) In the following provisions of this paragraph, so much of the repayment of tax referred to in sub-paragraph (1)(c) above as is attributable to giving effect to the relief for losses carried back is referred to as “the appropriate repayment”.
- (3) For the purpose of determining the amount of the appropriate repayment in a case where the relevant assessment or amendment not only gives effect to the relief for losses carried back but also takes account of any other matter (whether a relief or not) which goes to reduce the assessable profit of the period in question or otherwise to reduce the tax payable for that period, the amount of the repayment which is attributable to the relief for losses carried back is the difference between—
- (a) the total amount of tax repayable by virtue of the relevant assessment or amendment; and
 - (b) the amount of tax (if any) which would have been so repayable if no account had been taken of the relief for losses carried back.
- (4) Where this paragraph applies, the amount of interest which, by virtue of paragraph 16 above, is carried by the appropriate repayment shall not exceed the difference between—
- (a) 85 per cent. of the allowable loss or losses referred to in sub-paragraph (1)(a) above; and
 - (b) the amount of the appropriate repayment.”

Marginal Citations

M1 1975 c. 22.

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