

## SCHEDULES

### SCHEDULE 21

#### FIRST-YEAR ALLOWANCES FOR EXPENDITURE WHOLLY FOR A RING FENCE TRADE

##### PART 2

##### MINERAL EXTRACTION ALLOWANCES

*Amount of allowances and charges: balancing charge for period in which expenditure incurred*

- 12 (1) Section 418 is amended as follows.
- (2) In subsection (4) (amount of balancing charge) after paragraph (b) insert the following as a second sentence—
- “Where a person is liable to a balancing charge in respect of first-year qualifying expenditure for the chargeable period in which he incurred the expenditure, any first-year allowance made in respect of the expenditure shall be treated for the purposes of paragraph (b) as if it were an allowance for an earlier chargeable period.”.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2002, Paragraph 12.