



Corporation Tax Act 2010

2010 CHAPTER 4

PART 8

OIL ACTIVITIES

[^{F1}CHAPTER 6A

SUPPLEMENTARY CHARGE: INVESTMENT ALLOWANCE

Activated and unactivated allowance: basic calculation rules

[^{F1}332FB] **Activation limit for former additionally-developed fields**

- (1) This section applies to a company for an accounting period in relation to an oil field if—
 - (a) immediately before 1 April 2015 the oil field was an additionally-developed oil field for the purposes of Chapter 7 as a result of a project that fell within section 349A(1), and
 - (b) the project is not an excluded project (see subsection (3)).
- (2) For the purposes of section 332F(2)(c), the “relevant activation limit” for the accounting period and the oil field is the amount that would be the closing balance of unactivated allowance held by the company for the accounting period if paragraph 7(3) of Schedule 12 to FA 2015 (conversion of unactivated field allowance) had never applied to any allowance attributable to the project.
- (3) The project is an “excluded” project if condition A or condition B is met.
- (4) Condition A is that—
 - (a) a substantial amount of work has been done in relation to the project, and
 - (b) the accounting period begins on or after the first day of the year of expected first production for the project.

Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 332FB. (See end of Document for details)

- (5) The “year of expected first production” for the project is the year that was notified to the Secretary of State, on or before the day on which the project was authorised by the Secretary of State, as the calendar year in which additional reserves of oil were expected to be first won from the field as a result of the project.
- (6) Condition B is that the accounting period begins on or after the day determined under section 332DB(5) as that on which the project was materially completed.]

Textual Amendments

- F1** Pt. 8 Ch. 6A inserted (with effect in accordance with Sch. 12 para. 5 7 8 of the amending Act) by [Finance Act 2015 \(c. 11\)](#), [Sch. 12 para. 2](#)

Changes to legislation:

There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 332FB.