
Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2014. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

SCHEDULES

SCHEDULE 15

SUPPLEMENTARY CHARGE: ONSHORE ALLOWANCE

PART 3

COMMENCEMENT AND TRANSITIONAL PROVISION

Commencement of onshore allowance

- 6 (1) The amendments made by paragraphs 3 and 5(1), (2)(a), (3) and (4) have effect in relation to capital expenditure incurred on or after 5 December 2013.
- (2) The amendments made by paragraph 4 have effect in relation to any accounting period of a company in which a post-commencement authorisation day falls.
- (3) In sub-paragraph (2) “post-commencement authorisation day” means an authorisation day (as defined for Chapter 7 of Part 8 of CTA 2010) that is 5 December 2013 or a later day.
- (4) Section 5 of CAA 2001 (when capital expenditure is incurred) applies for the purposes of this paragraph as for the purposes of that Act.

Option to defer commencement

- 7 (1) This paragraph applies in relation to any oil field whose development (in whole or in part) is authorised for the first time on or after 5 December 2013 but before 1 January 2015.
- (2) At any time before 1 January 2015, the companies that are licensees in the oil field may jointly elect that the law is to have effect in relation to each of those companies as if the date specified in—
- (a) section 352(2)(a) of CTA 2010 (as inserted by paragraph 4(4) of this Schedule),
 - (b) section 356C(3) of CTA 2010 (as inserted by paragraph 3 of this Schedule), and
 - (c) paragraph 6(3),
- were 1 January 2015.
- (3) Expressions used in this paragraph and in Chapter 7 of Part 8 of CTA 2010 have the same meaning in this paragraph as in that Chapter.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2014. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

Straddling accounting periods

- 8 (1) Paragraphs 9 and 10 apply where a company has an accounting period (the “straddling accounting period”) that begins before and ends on or after commencement day.
- (2) In paragraphs 9 and 10 “commencement day” means—
- (a) 5 December 2013 (except where paragraph (b) applies);
 - (b) 1 January 2015, in relation to a company that makes an election under paragraph 7.
- (3) Expressions used in paragraph 9 or 10 and in Chapter 8 of Part 8 of CTA 2010 (as inserted by paragraph 3) have the same meaning in the paragraph concerned as in that Chapter.
- 9 (1) The amount (if any) by which the company's adjusted ring fence profits for the straddling accounting period are reduced under section 356D of CTA 2010 (as inserted by paragraph 3) cannot exceed the appropriate proportion of those profits.
- (2) Section 356DA of CTA 2010 (carrying forward of activated allowance) applies in relation to the company and the accounting period as if the reference in subsection (1) (b) of that section to the adjusted ring fence profits were to the appropriate proportion of those profits.
- (3) The “appropriate proportion” of the company's adjusted ring fence profits for the straddling accounting period is—

$$\frac{D}{Y} \times N$$

where—

D is the number of days in the straddling accounting period that fall on or after commencement day;

Y is the number of days in the straddling accounting period;

N is the amount of the company's adjusted ring fence profits for the accounting period.

- (4) If the basis of apportionment in sub-paragraph (3) would work unjustly or unreasonably in the company's case, the company may elect for its adjusted ring fence profits to be apportioned on another basis that is just and reasonable and specified in the election.
- 10 (1) For the purpose of determining the amount of activated allowance the company has with respect to any site—
- (a) for the straddling accounting period (see section 356E of CTA 2010, as inserted by paragraph 3), or
 - (b) for a reference period that is part of the straddling accounting period (see section 356GB of CTA 2010, as so inserted),
- the company's relevant income from the site in the straddling accounting period is taken to be the appropriate proportion of the actual amount of that relevant income.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2014. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

- (2) Accordingly, in relation to the company, the straddling accounting period and the site in question, section 356EB of CTA 2010 (carrying forward of unactivated allowance) has effect as if Y in subsection (1) of that section were defined as the appropriate proportion of the company's relevant income for the straddling accounting period from that site.
- (3) The “appropriate proportion” of the company's relevant income from a site in the straddling accounting period is—

$$\frac{D}{Y} \times I$$

D is the number of days in the straddling accounting period that fall on or after commencement day;

Y is the number of days in the straddling accounting period;

I is the amount of the company's relevant income from the site in the straddling accounting period.

- (4) If the basis of apportionment in sub-paragraph (3) would work unjustly or unreasonably in the company's case, the company may elect for its adjusted ring fence profits to be apportioned on another basis that is just and reasonable and specified in the election.

Changes to legislation:

There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2014. Any changes that have already been made by the team appear in the content and are referenced with annotations.

[View outstanding changes](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 212(4)(f) and word inserted by [2021 c. 26 Sch. 27 para. 43\(b\)\(ii\)](#)
- s. 212(5)(a)(iv) and word inserted by [2021 c. 26 Sch. 27 para. 43\(c\)\(ii\)](#)
- s. 212(5)(b)(iv) and word inserted by [2021 c. 26 Sch. 27 para. 43\(c\)\(iv\)](#)
- s. 212(5)(c)(iv) and word inserted by [2021 c. 26 Sch. 27 para. 43\(c\)\(v\)](#)
- Sch. 31 para. 2(3)(b) inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(iii\)](#)
- Sch. 31 para. 2(4A) inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(c\)](#)
- Sch. 31 para. 3(1A) inserted by [2017 c. 32 Sch. 14 para. 45\(3\)\(b\)](#)
- Sch. 31 para. 5(b) inserted by [2017 c. 32 Sch. 14 para. 45\(4\)\(c\)](#)
- Sch. 31 para. 2(3)(a) words inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(ii\)](#)
- Sch. 31 para. 5(a) words inserted by [2017 c. 32 Sch. 14 para. 45\(4\)\(b\)](#)
- Sch. 31 para. 2(3)(a) words renumbered as Sch. 31 para. 2(3)(a) by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(i\)](#)
- Sch. 31 para. 5(a) words renumbered as Sch. 31 para. 5(a) by [2017 c. 32 Sch. 14 para. 45\(4\)\(a\)](#)
- Sch. 32 para. 1(2)(b) inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(iii\)](#)
- Sch. 32 para. 1(3A) inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(c\)](#)
- Sch. 32 para. 1(2)(a) words inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(ii\)](#)
- Sch. 32 para. 1(2)(a) words renumbered as Sch. 32 para. 1(2)(a) by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(i\)](#)