
STATUTORY INSTRUMENTS

2018 No. 79

**The Scotland Act 2016 (Onshore Petroleum)
(Consequential Amendments) Regulations 2018**

PART 2

Transitional modifications of taxation legislation having effect until the commencement of Part 2 of Schedule 6 to the Wales Act 2016

Period for which the modifications made by regulations 3 to 7 have effect

2. The modifications specified in regulations 3 to 7 have effect until the commencement of Part 2 of Schedule 6 (amendments relating to onshore petroleum consequential on transfer of certain functions under the Petroleum Act 1998 to the Welsh Ministers) to the Wales Act 2017.

Oil Taxation Act 1975

3. In section 12(1) (interpretation of Part 1) of the Oil Taxation Act 1975(1), in the definition of “licensee”, paragraph (b) has effect as if, for “the OGA” there were substituted—

“—

- (i) the Scottish Ministers, where the rights relate to oil in the Scottish onshore area, as defined in section 8A of the Petroleum Act 1998, or
- (ii) the OGA, where the rights relate to oil elsewhere.”.

Taxation of Chargeable Gains Act 1992

4. Section 196 (interpretation) of the Taxation of Chargeable Gains Act 1992(2) has effect as if—

- (a) in subsection (1), in paragraphs (a) and (b), and subsection (3), for “Oil and Gas Authority” there were substituted “appropriate authority”;
- (b) in subsection (5), after “section—” there were inserted—

““appropriate authority”, in relation to a licence under Part 1 of the Petroleum Act 1998—

- (a) the Scottish Ministers, in relation to the Scottish onshore area, as defined in section 8A of that Act, or
- (b) otherwise, the Oil and Gas Authority;”.

(1) 1975 c.22; the definition of “licensee” in section 12(1) was amended by the Petroleum Act 1998 (c.17), Schedule 4, para 7(3) and S.I. 2016/898, and is further amended by the Wales Act 2017 (c.4), Schedule 6, Part 1, paragraph 19 from a date to be appointed.

(2) 1992 c.12; relevant amendments to section 196 were made by the Finance Act 1996 (c.8), section 181(1) and (4), the Finance Act 2009 (c.10), Schedule 40, Part 1, paragraphs 1 and 6, the Finance Act 2011(c.11), Schedule 15, Part 1, paragraph 3(1) and (3) and S.I. 2016/898. Section 196 is further amended by the Wales Act 2017 (c.4), Schedule 6, Part 1, paragraph 21 from a date to be appointed.

Finance Act 1993

5. Section 185 (abolition of petroleum revenue tax for oil fields with development consent on or after 16 March 1993) of the Finance Act 1993(3) has effect as if—

- (a) in subsection (1C), in paragraphs (a) and (b), for “OGA” there were substituted “appropriate authority”;
- (b) in subsection (2), in paragraph (b), for “OGA” there were substituted “appropriate authority”;
- (c) after subsection (2) there were inserted—
 - “(2A) In subsections (1C) and (2), the “appropriate authority” means—
 - (a) in relation to a field that is wholly within the Scottish onshore area, as defined in section 8A of the Petroleum Act 1998, the Scottish Ministers;
 - (b) otherwise, the OGA.”.

Capital Allowances Act 2001

6. In section 556(2) of the Capital Allowances Act 2001(4), paragraph (a) of the definition of “the relevant authority” has effect as if for “, the Oil and Gas Authority” there were substituted—

- “—
- (i) the Scottish Ministers, in relation to the Scottish onshore area, as defined in section 8A of that Act;
 - (ii) otherwise, the Oil and Gas Authority”.

Corporation Tax Act 2010

7.—(1) Section 356IB (authorisation of development: oil fields) of the Corporation Tax Act 2010(5) has effect as if, in subsection (2), in the definition of “national authority”—

- (a) the word “or” were omitted at the end of paragraph (a);
- (b) after paragraph (a) there were inserted—
 - “(aa) the Scottish Ministers, or”.

(2) Section 356J (authorisation of development: drilling and extraction sites) of that Act(6) has effect as if, in subsection (4), in the definition of “national authority”—

- (a) the word “or” were omitted at the end of paragraph (a);
- (b) after paragraph (a) there were inserted—
 - “(aa) the Scottish Ministers, or”.

(3) 1993 c.34; relevant amendments to section 185 were made by the Finance Act 2007 (c.11), section 102(1) and (3), and S.I. 2016/898. Section 185 is further amended by the Wales Act 2017 (c.4), Schedule 6, Part 1, paragraph 22 from a date to be appointed.

(4) 2001 c.2; section 556(2) was amended by S.I. 2016/898, and is further amended by the Wales Act 2017 (c.4), Schedule 6, Part 1, paragraph 23 from a date to be appointed.

(5) 2010 c.4; section 356IB was inserted by the Finance Act 2015 (c.11), Schedule 14, Part 1, paragraphs 1 and 7, and amended by S.I. 2016/898, and is further amended by the Wales Act 2017 (c.4), Schedule 6, Part 1, paragraph 26 from a date to be appointed.

(6) 2010 c.4; section 356J was inserted by the Finance Act 2014 (c.26), Schedule 15, Part 1, paragraphs 1 and 3, and amended by S.I. 2016/898, and is further amended by the Wales Act 2017 (c.4), Schedule 6, Part 1, paragraph 26 from a date to be appointed.