

Changes to legislation: There are currently no known outstanding effects for the Oil Taxation Act 1975, Cross Heading: Areas treated as continuing to be oil fields. (See end of Document for details)

SCHEDULES

SCHEDULE 1

DETERMINATION OF OIL FIELDS

Modifications etc. (not altering text)

C1 See Finance Act 1982 (c. 39), s. 135

[^{F1}Areas treated as continuing to be oil fields

Textual Amendments

F1 Sch. 1 paras. 6, 7 and cross-heading inserted (with effect in accordance with Sch. 42 para. 8 of the amending Act) by Finance Act 2009 (c. 10), Sch. 42 para. 7(3)

- 6 (1) This paragraph applies if an area has ceased to be—
- (a) an oil field within the meaning of paragraph 1(1), or
 - (b) part of such an oil field.
- (2) The area is to be treated as continuing to be—
- (a) the oil field, or
 - (b) the part of the oil field,
- that it actually was.
- (3) Accordingly, whilst the area is treated in accordance with sub-paragraph (2), any reference to an oil field is to include a reference to the area.
- (4) Sub-paragraph (2) ceases to apply to the area—
- (a) in accordance with sub-paragraph (5), and
 - (b) if or to the extent that it has not ceased to apply in accordance with sub-paragraph (5), in accordance with sub-paragraph (6).
- (5) Sub-paragraph (2) ceases to apply to the area if, or to the extent that, it again becomes—
- (a) an oil field within the meaning of paragraph 1(1), or
 - (b) part of such an oil field.
- (6) Sub-paragraph (2) ceases to apply to the area at the end of the second chargeable period that falls after the chargeable period in which the area is decommissioned.
- 7 (1) A relevant area is decommissioned for the purposes of paragraph 6 if all qualifying assets of the relevant area are decommissioned.
- (2) If, and to the extent that, a UK offshore decommissioning regime applies to qualifying assets of the relevant area, those assets are decommissioned if—

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- (a) the Secretary of State has approved one or more abandonment programmes under the regime in relation to those assets, and
 - (b) those programmes have been carried out to the satisfaction of the Secretary of State.
- (3) If, and to the extent that, a UK offshore decommissioning regime does not apply to qualifying assets of the relevant area, those assets are decommissioned if the Board are satisfied that they have been decommissioned.
- (4) For the purposes of sub-paragraph (3) the Board must have regard to any obligations to decommission the qualifying assets which arise under the law applicable to [F2those qualifying assets] (whether the law of any part of the United Kingdom or of any other state or territory), including any obligations imposed by an authority having functions under that law in respect of such decommissioning.
- (5) If sub-paragraph (3) applies (to any extent) to any qualifying assets, the Board must give the responsible person notice of any decision the Board make under that sub-paragraph.
- (6) The responsible person may appeal against such a decision by notice in writing given to the Board within three months of the responsible person receiving the notice under sub-paragraph (5).
- (7) An appeal under sub-paragraph (6) may, before it is notified to the tribunal, be abandoned by notice in writing given to the Board by the responsible person.
- (8) The provisions of paragraphs 14A to 14I of Schedule 2 apply to appeals under sub-paragraph (6) subject to any necessary modifications.
- (9) In this paragraph—
- “qualifying assets” means assets that are qualifying assets within the meaning of OTA 1983;
 - “relevant area” means an area that is treated as being an oil field, or part of an oil field, under paragraph 6;
 - “UK offshore decommissioning regime” means—
 - (a) Part 4 of the Petroleum Act 1998, and
 - (b) Part 1 of the Petroleum Act 1987.]

Textual Amendments

F2 Words in Sch. 1 para. 7(4) substituted (with effect in accordance with s. 61(2) of the amending Act) by Finance Act 2011 (c. 11), s. 61(1)

Modifications etc. (not altering text)

C1 Sch. 1 para. 7(2)-(9) applied by 2010 c. 4, s. 350(3) (as substituted (with effect in accordance with s. 63(4) of the amending Act) by Finance Act 2011 (c. 11), s. 63(2))

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