
Changes to legislation: There are currently no known outstanding effects for the Finance Act 1982,
Cross Heading: Price formula ceasing to give realistic market values. (See end of Document for details)

SCHEDULES

SCHEDULE 18

ALTERNATIVE VALUATION OF ETHANE USED FOR PETROCHEMICAL PURPOSES

Modifications etc. (not altering text)

C1 See Finance Act 1986 (c. 41), s. 109(5) and Sch. 21

Price formula ceasing to give realistic market values

- 6 (1) If, at any time after the expiry of the period of five years beginning on the date of the first delivery or relevant appropriation of ethane during the period covered by an election,—
- (a) it appears to the party or parties to the election or, as the case may be, to the Board that, by reason of any substantial and lasting change in any economic circumstances which were relevant at the time referred to in paragraph 3(1) above, the market values determined in accordance with the price formula specified in the election are no longer realistic; and
 - (b) the party or parties to the election give notice of that fact to the Board, or the Board give notice of that fact to the party or, as the case may be, each of the parties to the election,
- then, subject to the following provisions of this paragraph, sub-paragraph (2) below shall apply.
- (2) Where this sub-paragraph applies, the election shall not have effect with respect to any chargeable period beginning after the date of the notice under sub-paragraph (1) (b) above.
- (3) Before the expiry of the period of three months beginning on the date on which a notice under sub-paragraph (1)(b) above given by the party or parties to the election is received by the Board, the Board shall give notice of acceptance or rejection of that notice to the party or parties concerned; and
- (a) if the Board give notice of rejection, sub-paragraph (2) above shall not apply; and
 - (b) if no notice of acceptance or rejection is in fact given as required by this sub-paragraph, the Board shall be deemed to have given notice of acceptance on the last day of the period of three months referred to above.
- (4) If a notice under sub-paragraph (1)(b) above which has been given by the party or parties to the election contains a new price formula, the Board shall first consider the notice without regard to that formula and if, following upon that consideration, the Board give a notice of acceptance under sub-paragraph (3) above, they shall then proceed to consider the new price formula.
- (5) In any case where—

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- (a) sub-paragraph (4) above applies and the new price formula contained in the notice under sub-paragraph (1)(b) above is accepted by the Board in accordance with paragraph 7 below, or
 - (b) within the period of three months beginning on the date of a notice given by the Board under sub-paragraph (1)(b) above, the party or parties to the election by notice in writing given to the Board specify a new price formula which is accepted by the Board in accordance with paragraph 7 below,
- sub-paragraph (2) above shall not apply and for the purpose of determining, for any chargeable period beginning after the date of the notice under sub-paragraph (1)(b) above, the market value of ethane to which the election applies, section 134 of this Act shall have effect as if the new price formula were the formula specified in the election.
- (6) If, by virtue of sub-paragraph (5) above or an appeal under paragraph 8 below, a new price formula has effect for determining the market value of ethane to which an election applies, sub-paragraph (1) above shall thereafter have effect in relation to the market value of any such ethane as if—
- (a) the reference therein to the date of the first delivery or relevant appropriation of ethane during the period covered by the election, and
 - (b) the reference therein to the time referred to in paragraph 3(1) above,
- were each a reference to the beginning of the first chargeable period for which the new price formula has effect.

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