



# Oil Taxation Act 1983

## 1983 CHAPTER 56

### *Charge of receipts*

#### **[<sup>F1</sup>6A Tax-exempt tariffing receipts**

- (1) An amount which is a tax-exempt tariffing receipt (see subsection (2) below) does not constitute a tariff receipt for the purposes of the Oil Taxation Acts.
- (2) An amount is a “ tax-exempt tariffing receipt ” for the purposes of the Oil Taxation Acts if—
  - (a) it would, apart from this section, be a tariff receipt of a participator in an oil field,
  - (b) it is received or receivable by the participator in a chargeable period ending on or after 30th June 2004 under a contract entered into on or after 9th April 2003, and
  - (c) it is in respect of tax-exempt business (see subsection (3) below).
- (3) For the purposes of this section an amount is in respect of tax-exempt business if it is an amount received or receivable by a participator in an oil field in respect of—
  - (a) the use of a qualifying asset, or
  - (b) the provision of services or other business facilities of whatever kind in connection with the use, otherwise than by the participator himself, of a qualifying asset,and that use of the qualifying asset falls within subsection (4) below.
- (4) Use of a qualifying asset falls within this subsection if it is—
  - (a) use in relation to a new field (see subsection (5) below) or oil won from such a field, or
  - (b) use in relation to a qualifying existing field (see subsection (5) below) or oil won from such a field, [<sup>F2</sup>or
  - (c) use in relation to a UK recommissioned field (see subsection (5) below) or oil won from such a field.]
- (5) In this section—

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*Changes to legislation: There are currently no known outstanding effects for the Oil Taxation Act 1983, Section 6A. (See end of Document for details)*

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“ existing field ” means any oil field or foreign field which is not a new field;

“ foreign field ” means, subject to subsection (6) below (treatment of transmedian fields), any hydrocarbon accumulation which is not under the jurisdiction of the government of the United Kingdom;

“ licensee ”, in relation to a foreign field, means a person who has rights, interests or obligations in respect of the foreign field under a licence or other authority granted by the government of a country other than the United Kingdom;

“ new field ” means—

- (a) an oil field for no part of which had—
  - (i) consent for development been granted to a licensee by the Secretary of State before 9th April 2003; or
  - (ii) a programme of development been served on a licensee or approved by the Secretary of State before that date; or
- (b) a foreign field for no part of which had—
  - (i) any consent for development been granted to a licensee by the government of a country other than the United Kingdom before 9th April 2003; or
  - (ii) a programme of development been served on a licensee or approved by such a government before that date;

and subsections (4) and (5) of section 36 of the Finance Act 1983 (which define “ development ” for the purposes of subsections (2) and (3) of that section) shall apply also for the purposes of this definition;

“ the Oil Taxation Acts ” means—

- (a) Parts 1 and 3 of the principal Act;
- (b) this Act; and
- (c) any other enactment relating to petroleum revenue tax;

“ qualifying existing field ” means an existing field as respects which the condition in section 6B(1) below is satisfied;

[<sup>F3</sup>“UK recommissioned field” means any oil field which is not a new field or qualifying existing field but as respects which the conditions in section 185(1A) of the Finance Act 1993 are satisfied (fields recommissioned after earlier decommissioning).]

- (6) For the purposes of this section, in the case of an oil field which, by virtue of section 107 of the Finance Act 1980 (transmedian fields), is deemed to include the sector mentioned in subsection (1)(a)(ii) of that section—
  - (a) that sector shall be treated as a foreign field, and
  - (b) the remainder of that field shall be treated as a separate oil field.
- (7) In the application of provisions of the Oil Taxation Acts relating to tax-exempt tariffing receipts, references to oil, in relation to a foreign field, are references to any substance that would be oil within the meaning of the principal Act if the enactments mentioned in section 1(1) of that Act extended to the foreign field.
- (8) This section is subject to the transitional provisions in Part 2 of Schedule 37 to the Finance Act 2004 (expenditure incurred between 9th April and 31st December 2003: treatment of initial portion of tax-exempt tariffing receipts as tariff receipts).]

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**Changes to legislation:** *There are currently no known outstanding effects for the Oil Taxation Act 1983, Section 6A. (See end of Document for details)*

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**Textual Amendments**

- F1** Ss. 6A, 6B inserted (22.7.2004) by [Finance Act 2004 \(c. 12\), s. 285\(3\)](#)
- F2** S. 6A(4)(c) and preceding word inserted (1.7.2007 retrospective) by [Finance Act 2007 \(c. 11\), s. 103\(2\)\(4\)](#)
- F3** Words in s. 6A(5) inserted (1.7.2007 retrospective) by [Finance Act 2007 \(c. 11\), s. 103\(3\)\(4\)](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Oil Taxation Act 1983, Section 6A.