



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### PART 8

#### OIL ACTIVITIES

### CHAPTER 5

#### RING FENCE EXPENDITURE SUPPLEMENT

##### *Pre-commencement supplement*

#### **316 The mixed pool of qualifying pre-commencement expenditure and supplement previously allowed**

- (1) For the purpose of determining the amount of any pre-commencement supplement, a qualifying company is to be taken to have had, at all times in the pre-commencement periods of the company, a continuing mixed pool of—
  - (a) the relevant amount (if any) which the company carries forward under Schedule 19B to ICTA,
  - (b) qualifying pre-commencement expenditure, and
  - (c) pre-commencement supplement.
- (2) The pool is to be taken to have consisted of—
  - (a) the relevant amount (if any) which the company carries forward under Schedule 19B to ICTA,
  - (b) the company's qualifying pre-commencement expenditure, allocated to the pool for each pre-commencement period in accordance with subsection (3), and
  - (c) the company's pre-commencement supplement, allocated to the pool for each pre-commencement period in accordance with subsection (4).

---

**Changes to legislation:** Corporation Tax Act 2010, Section 316 is up to date with all changes known to be in force on or before 11 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

---

- (3) To allocate qualifying pre-commencement expenditure to the pool for any pre-commencement period, take the following steps—

*Step 1*

Count as eligible expenditure for that period so much of the qualifying pre-commencement expenditure mentioned in section 315(1) as was incurred in that period.

*Step 2*

Find the total of all the eligible expenditure for that period (amount E).

*Step 3*

If section 317 applies, reduce amount E in accordance with that section.

*Step 4*

If section 318 applies, reduce (or, as the case may be, further reduce) amount E in accordance with that section.

And so much of amount E as remains after making those reductions is to be taken to have been added to the pool in that period

- (4) If any pre-commencement supplement is allowed on a claim in respect of a pre-commencement period, the amount of that supplement is to be taken to have been added to the pool in that period.
- (5) In this section references to the relevant amount (if any) which the company carries forward under Schedule 19B to ICTA are to the amount (if any) in its mixed pool for the purposes of Part 3 of Schedule 19B to ICTA immediately before 1 January 2006.
- [<sup>F1</sup>(6) This section is subject to section 318A (adjustment of pool to remove pre-2013 expenditure after the initial 6 periods).]

**Textual Amendments**

- F1** S. 316(6) inserted (with effect in accordance with Sch. 11 para. 14 of the amending Act) by [Finance Act 2015 \(c. 11\)](#), [Sch. 11 para. 5](#)

**Changes to legislation:**

Corporation Tax Act 2010, Section 316 is up to date with all changes known to be in force on or before 11 June 2024. There are changes that may be brought into force at a future date. Changes that have been made 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. 357CHA omitted by [2024 c. 3 Sch. 2 para. 14\(7\)](#)
- s. 658(1)(d)(e) inserted by [2010 c. 13 Sch. 6 para. 31](#) (This amendment not applied to [legislation.gov.uk](#). Sch. 6 para. 31 omitted (retrospective to 6.4.2010) by virtue of Finance Act 2012 (c. 14), s. 52(2) (3))