
Status: Point in time view as at 12/02/2019.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2019, Cross Heading: Decommissioning expenditure amount. (See end of Document for details)

SCHEDULES

SCHEDULE 15

OIL ACTIVITIES: TRANSFERABLE TAX HISTORY

PART 5

TTH ACTIVATION

Decommissioning expenditure amount

- 31 The “decommissioning expenditure amount” attributable to the TTH oil field for an accounting period, is the total of each of the following amounts attributable to the field for the post-acquisition accounting period—
- (a) the special allowance amount,
 - (b) the post-cessation expenditure amount, and
 - (c) the restoration expenditure amount.
- 32 (1) The “special allowance amount” for an accounting period is the amount of a special allowance made under section 164 of CAA 2001 (general decommissioning expenditure incurred before cessation of ring fence trade) for that period.
- (2) A special allowance amount is attributable to the TTH oil field so far as the expenditure in respect of which the allowance is made is expenditure incurred on decommissioning plant or machinery brought into use for the purposes of oil-related activities carried on wholly or partly in direct connection with the field.
- 33 (1) The “post-cessation expenditure amount” for an accounting period is the amount that, under section 165(3)(a) of CAA 2001 (general decommissioning expenditure after ceasing ring fence trade), is allocated to the appropriate pool for that period.
- (2) A post-cessation expenditure amount is attributable to the TTH oil field so far as the general decommissioning expenditure in respect of which the amount is allocated is expenditure incurred on decommissioning plant or machinery brought into use for the purposes of oil-related activities carried on wholly or partly in direct connection with the field.
- 34 (1) The “restoration expenditure amount” for an accounting period is the amount that is treated as qualifying expenditure under section 416ZA of CAA 2001 (ring fence trades: expenditure on site restoration) for that period.
- (2) A restoration expenditure amount is attributable to the TTH oil field if the qualifying expenditure is incurred in relation to the field.
- 35 For the purposes of paragraphs 32(2), 33(2) and 34(2), expenditure for an accounting period is to be apportioned between the TTH oil field and other oil fields (or parts of oil fields) on a just and reasonable basis.

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