

SCHEDULES

SCHEDULE 1

RELIEFS

PART 2

GROUP RELIEF FOR QUALIFYING LEVY LOSSES

Introduction

- 6
- (1) This Part of this Schedule—

(a) allows a company (“the surrendering company”) to surrender a qualifying levy loss it has for a qualifying accounting period to another company (“the claimant company”) that is part of the same group, and

(b) enables the claimant company to claim relief from the levy for that loss.

(2) The relief mentioned in sub-paragraph (1) is referred to in this Schedule as “levy group relief”.
- Commencement Information

I1 Sch. 1 para. 6 in force at Royal Assent
- 7

In this Part of this Schedule, in relation to a qualifying levy loss that a company has for an accounting period—

“surrender period” means a qualifying accounting period for which the surrendering company has the loss, and

“surrenderable amounts” means a qualifying levy loss so far as eligible for surrender under this Part of this Schedule.
- Commencement Information

I2 Sch. 1 para. 7 in force at Royal Assent
- Commencement Information

I1 Sch. 1 para. 6 in force at Royal Assent

I2 Sch. 1 para. 7 in force at Royal Assent
- Surrender of company’s losses for an accounting period
- 8

If—

Changes to legislation: There are currently no known outstanding effects for the Energy (Oil and Gas) Profits Levy Act 2022, PART 2. (See end of Document for details)

- (a) a surrendering company has a qualifying levy loss for a surrender period, and
 - (b) the company is part of a group,
- the surrendering company may surrender the loss.

Commencement Information

I3 Sch. 1 para. 8 in force at Royal Assent

Claims for levy group relief

- 9 (1) This paragraph applies in relation to the surrendering company's surrenderable amounts for the surrender period under paragraph 8.
- (2) The claimant company may make a claim for levy group relief for a qualifying accounting period ("the claim period") in relation to those amounts (in whole or in part) if—
- (a) the surrendering company consents to the claim,
 - (b) there is a period ("the overlapping period") that is common to the claim period and the surrender period, and
 - (c) at a time during the overlapping period the surrendering company and the claimant company are part of the same group.
- (3) More than one company may make a claim for levy group relief in relation to any surrenderable amounts (but the giving of that relief in relation to any claim is subject to the provisions of this Part of this Schedule).
- (4) Paragraph 70(3) and (4) of Schedule 18 to FA 1998 apply for the purposes of any consent given under this paragraph.

Commencement Information

I4 Sch. 1 para. 9 in force at Royal Assent

Giving of levy group relief

- 10 (1) If a claimant company makes a claim under paragraph 9, the relief is to be given by way of deduction from the company's qualifying levy profits for the claim period.
- (2) The amount of the deduction is—
- (a) an amount equal to the surrendering company's surrenderable amounts for the surrender period, or
 - (b) if the claim is in relation to only part of those amounts, an amount equal to that part.
- (3) The deduction under this paragraph is to be made after any relief under paragraph 1.

Commencement Information

I5 Sch. 1 para. 10 in force at Royal Assent

Changes to legislation: There are currently no known outstanding effects for the Energy (Oil and Gas) Profits Levy Act 2022, PART 2. (See end of Document for details)

Limitation on amount of levy group relief to be given

- 11 (1) Paragraph 10(2) is subject to the limitation in sections 138 to 142 of CTA 2010 (general limitation on amount of group relief to be given) as if those sections applied to levy group relief as they apply to group relief under Part 5 of that Act.
- (2) For the purposes of sub-paragraph (1)—
- (a) section 138 of CTA 2010 (limitation on amount of group relief applying to all claims) has effect as if in paragraph (b) for the words “total profits” there were substituted “qualifying levy profits”,
 - (b) section 140 of CTA 2010 (unrelieved part of claimant company’s available total profits) has effect as if—
 - (i) in subsections (1) to (4) (and in the heading), for the words “total profits” (in each place) there were substituted “qualifying levy profits”,
 - (ii) for subsection (7) there were substituted—

“(7) In this section references to the claimant company’s “available qualifying levy profits” are references to its qualifying levy profits (within the meaning of the Energy (Oil and Gas) Profits Levy Act 2022) after the deduction of any relief given under paragraph 1 of Schedule 1 to that Act.”

, and
 - (iii) subsection (8) were omitted, and
 - (c) section 142 of CTA 2010 (meaning of the “overlapping period”) has effect as if—
 - (i) in subsection (1) for the words in parenthesis there were substituted “(see paragraph 9(2)(b) of Schedule 1 to the Energy (Oil and Gas) Profits Levy Act 2022)”, and
 - (ii) in subsection (3), for the words from “group relief condition is the” to the end there were substituted “requirement in paragraph 9(2)(c) of Schedule 1 to the Energy (Oil and Gas) Profits Levy Act 2022”.

Commencement Information

I6 Sch. 1 para. 11 in force at Royal Assent

Arrangements for transfer of companies

- 12 Sections 154 and 155A to 156 of CTA 2010 (arrangements for transfer of member of group of companies etc) apply for the purposes of this Part of this Schedule as they apply for the purposes of Part 5 of that Act but as if the references in sections 155A(1) and 155B(1) to “or 155(3)” were omitted.

Commencement Information

I7 Sch. 1 para. 12 in force at Royal Assent

Payments for relief

- 13 (1) This paragraph applies if—

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- (a) a surrendering company and a claimant company have an agreement between them in relation to qualifying levy losses of the surrendering company (“the agreed loss amounts”),
- (b) relief under this Part of this Schedule is given to the claimant company in relation to the agreed loss amounts, and
- (c) as a result of the agreement the claimant company makes a payment to the surrendering company that does not exceed the total amount of the agreed loss amounts.

(2) The payment is not to be taken into account in calculating the qualifying levy profits or loss of either company under section 1.

Commencement Information

I8 Sch. 1 para. 13 in force at Royal Assent

14 An amount which is, as a result of paragraph 13, not to be taken account in calculating qualifying levy profits or loss under section 1—

- (a) is also not to be taken into account in calculating profits or loss for corporation tax purposes, and
- (b) is not to be regarded for those purposes as a distribution.

Commencement Information

I9 Sch. 1 para. 14 in force at Royal Assent

Commencement Information

I8 Sch. 1 para. 13 in force at Royal Assent

I9 Sch. 1 para. 14 in force at Royal Assent

Meaning of “company” and “group”

15 In this Part of this Schedule “company” means any body corporate.

Commencement Information

I10 Sch. 1 para. 15 in force at Royal Assent

16 For the purposes of this Part of this Schedule, two companies are part of the same group if—

- (a) one is the 75% subsidiary of the other, or
- (b) both are 75% subsidiaries of a third company.

Commencement Information

I11 Sch. 1 para. 16 in force at Royal Assent

Changes to legislation: *There are currently no known outstanding effects for the Energy (Oil and Gas) Profits Levy Act 2022, PART 2. (See end of Document for details)*

Commencement Information

I10 Sch. 1 para. 15 in force at Royal Assent

I11 Sch. 1 para. 16 in force at Royal Assent

Changes to legislation:

There are currently no known outstanding effects for the Energy (Oil and Gas) Profits Levy Act 2022, PART 2.