
STATUTORY INSTRUMENTS

2019 No. 63

**The Investment Allowance and Cluster Area Allowance
(Relevant Income: Tariff Receipts) Regulations 2019**

Amendment of Part 8

4.—(1) Part 8 is amended as follows—

(2) In section 332F (activation of allowance: no change of equity share) after subsection (8) insert—

“(9) Where a tariff receipt of the company relates only partly to the oil field mentioned in subsection (1), for the purposes of subsection (3)(b) the tariff receipt is to be attributed to the oil field on a just and reasonable basis.

(10) If the company has entered into any arrangements the purpose, or one of the main purposes of which is—

- (a) to cause income to fall within subsection (3)(b), or
- (b) to advance the time at which any income falls within that provision,

any income arising in connection with the arrangement is not regarded as a tariff receipt for the purposes of subsection (3)(b).

(11) In subsection (10) “arrangement” includes any agreement, understanding, scheme, transaction or series of transactions (whether or not legally enforceable).”

(3) In section 356JH (activation of allowance: no change of equity share) after subsection (8) insert—

“(9) Where a tariff receipt of the company relates only partly to the cluster area mentioned in subsection (1), for the purposes of subsection (3)(b) the tariff receipt is to be attributed to the cluster area on a just and reasonable basis.

(10) If the company has entered into any arrangements the purpose, or one of the main purposes of which is—

- (a) to cause income to fall within subsection (3)(b), or
- (b) to advance the time at which any income falls within that provision,

any income arising in connection with the arrangement is not regarded as a tariff receipt for the purposes of subsection (3)(b).

(11) In subsection (10) “arrangement” includes any agreement, understanding, scheme, transaction or series of transactions (whether or not legally enforceable).”