
Status: Point in time view as at 06/04/2008. This version of this provision has been superseded.

Changes to legislation: Income and Corporation Taxes Act 1988, Paragraph 11 is up to date with all changes known to be in force on or before 16 July 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)

SCHEDULES

SCHEDULE 19C

PETROLEUM EXTRACTION ACTIVITIES: RING FENCE EXPENDITURE SUPPLEMENT

PART 3

PRE-COMMENCEMENT SUPPLEMENT

Reduction in respect of disposal receipts under the Capital Allowances Act

- 11 (1) This paragraph applies in the case of the qualifying company if—
- (a) it incurs qualifying pre-commencement expenditure in respect of a ring fence trade in any pre-commencement period,
 - (b) it would, on the relevant assumption, be entitled to an allowance under any provision of the Capital Allowances Act in respect of that expenditure,
 - (c) an event occurs in relation to any asset representing the expenditure in any pre-commencement period, and
 - (d) the event would, on the relevant assumption, require a disposal value (the “deductible amount”) to be brought into account under any provision of the Capital Allowances Act for any pre-commencement period.
- (2) The relevant assumption is that the company was carrying on the ring fence trade—
- (a) when the expenditure was incurred, and
 - (b) when the event giving rise to the disposal value occurred.
- (3) For the purpose of allocating qualifying pre-commencement expenditure to the pool for each pre-commencement period—
- (a) find the total amount of the disposal values in the case of all such events (amount D), and
 - (b) taking later periods before earlier periods, reduce (but not below nil) amount E for any pre-commencement period by setting against it so much of amount D as does not fall to be set against amount E for a later pre-commencement period.

Status:

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Changes to legislation:

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