

SCHEDULES

SCHEDULE 15

AMENDMENTS RELATING TO OIL EXPORTED DIRECTLY FROM OFF-SHORE FIELDS

THE OIL TAXATION ACT 1975

- 2 (1) In section 3 (allowance of expenditure), in subsection (1), in paragraph (f) (transportation costs)—
- (a) after the words “transporting it” there shall be inserted “(i)”; and
 - (b) for the words “or to the place in the United Kingdom” there shall be substituted “or
 - (ii) to the place in the United Kingdom or, in the case of oil first landed in another country, to the place in that or any other country (other than the United Kingdom)”.
- (2) In subsection (4) of that section, in paragraph (c) (allowable expenditure does not include cost of acquiring buildings or structures, subject to exceptions)—
- (a) in sub-paragraph (i) the words “of either the territorial sea of the United Kingdom or a designated area” shall be omitted; and
 - (b) in sub-paragraph (iv) for the words “in the United Kingdom to the place in the United Kingdom” there shall be substituted “to the place in the United Kingdom or, in the case of oil first landed in another country, to the place in that or any other country (other than the United Kingdom)”.
- (3) In subsection (5) of that section (expenditure qualifying for supplement), in each of paragraphs (a) and (c) after the words “United Kingdom” there shall be inserted the words “or another country”.
- (4) At the end of subsection (6) of that section (apportionment of expenditure) there shall be added the words “and where, in the case of oil won as mentioned in paragraph (f) of subsection (1) above, expenditure is incurred in transporting—
- (a) oil first landed in the United Kingdom to a place in the United Kingdom which is not the nearest place referred to in sub-paragraph (ii) of that paragraph, or
 - (b) oil first landed in another country to a place in that or any other country (other than the United Kingdom) which is not the nearest place so referred to,
- so much of that expenditure as does not exceed what would have been the expenditure incurred in transporting it to that nearest place shall be regarded as falling within the said paragraph (f).”