

SCHEDULES

SCHEDULE 15

OIL ACTIVITIES: TRANSFERABLE TAX HISTORY

PART 3

EFFECT OF A TTH ELECTION ON THE SELLER

Effect of a TTH election: supplementary charge

- 22 (1) For the purposes of paragraphs 20(2) and 21(1)—
- (a) “earliest period” has the meaning given by paragraph 12(4),
 - (b) the “transferred proportion” is the same as the proportion that the transferred profits amount for the accounting period bears to the seller’s ring fence profits amount for the period, and
 - (c) the “retained proportion” is the same as the proportion that the retained profits amount for the accounting period bears to the seller’s ring fence profits amount for the period.
- (2) In sub-paragraph (1)(c), “retained profits amount” means the amount of the difference between the amount of the seller’s ring fence profits for the earliest period and the transferred profits amount for that period.
- (3) For the purposes of this Schedule, adjusted ring fence profits of an accounting period are “eligible” if—
- (a) an amount is charged on the profits under section 330(1) of CTA 2010 (supplementary charge in respect of ring fence trades), and
 - (b) as at the TTH election is made, the seller’s liability to tax under that section in respect of the adjusted ring fence profits has been discharged in full.