



Oil Taxation Act 1975

1975 CHAPTER 22

PART II

PROVISIONS RELATING TO THE EXTRACTION OF PETROLEUM IN THE UNITED KINGDOM OR A DESIGNATED AREA

17 Corporation tax: deduction of petroleum revenue tax in computing income

- (1) Where a participator in an oil field has paid any petroleum revenue tax with which he was chargeable for a chargeable period, then, in computing for corporation tax the amount of his income arising in the relevant accounting period from oil extraction activities or oil rights, there shall be deducted an amount equal to that petroleum revenue tax ; and there shall be made all such adjustments of assessments to corporation tax as are required in order to give effect to this subsection.

For the purposes of this subsection the relevant accounting period, in relation to any petroleum revenue tax paid by a company, is the accounting period of the company in or at the end of which the chargeable period for which that tax was charged ends.

- (2) If some or all of the petroleum revenue tax in respect of which a deduction has been made under subsection (1) above is subsequently repaid, that deduction shall be reduced or extinguished accordingly; and any additional assessment to corporation tax required in order to give effect to this subsection may be made at any time not later than six years after the end of the accounting period in which the first-mentioned tax was repaid.
- (3) Where, because of a deduction made under subsection (1) above in computing for corporation tax the amount of a company's income of any kind, the amount of advance corporation tax which can be set against the company's liability to corporation tax for an accounting period is less than the amount of advance corporation tax which could have been set against that liability if the deduction had not been made, then, if a claim in that behalf is made by the company not later than two years after the end of that accounting period, an amount of advance corporation tax equal to the difference shall be repaid to the company.

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

- (4) In this section the expressions " chargeable period ", " oil field " and " participator " have the same meaning as in Part I of this Act.