



# Finance Act 1981

## 1981 CHAPTER 35

### PART VIII

#### SUPPLEMENTARY PETROLEUM DUTY

#### **126 Deduction of duty in computing assessable profit or allowable loss for petroleum revenue tax**

- (1) For the purpose of computing under section 2 of the principal Act the assessable profit or allowable loss accruing to a participator in any chargeable period from an oil field—
  - (a) there shall be included as a negative amount his duty debit (if any) for the period ; and
  - (b) there shall be included as a positive amount his duty credit (if any) for the period.
- (2) The participator's duty debit or credit (if any) for the period is the difference (if any) between—
  - (a) the sum of the amounts mentioned in subsection (3) below; and
  - (b) the sum of—
    - (i) the amount taken into account under paragraph (a) of that subsection in computing his duty debit or credit for the preceding chargeable period; and
    - (ii) the amount of any duty repaid to him in the period in respect of the field ;and their difference (if any) is a duty debit if the sum mentioned in paragraph (a) above is greater than the sum mentioned in paragraph (b) above, and is otherwise a duty credit.
- (3) The amounts referred to in subsection (2)(a) above are—
  - (a) the amount shown in the statement delivered by the participator under subparagraph (1)(a) of paragraph 10 of Schedule 16 to this Act as the duty payable by him under that paragraph for the period in respect of the field; and

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*Status: This is the original version (as it was originally enacted).*

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- (b) the amount of duty paid in the period in respect of the field for previous chargeable periods.
- (4) For the purposes of subsection (3) (b) above duty for a period which is paid before the end of that period shall be treated as paid in the next chargeable period.
- (5) Where a participator's liability to petroleum revenue tax has been determined by reference to an amount of duty paid by him and there is a repayment of the duty which cannot be taken into account under the foregoing provisions of this section, an additional assessment to that tax may be made at any time not later than six years after the end of the chargeable period in which the duty is repaid.
- (6) Paragraph 12 of Schedule 17 to the Finance Act 1980 (treatment of royalty payments where there is a transfer of an interest in an oil field) shall apply in relation to any duty debit or credit as it applies in relation to a licence debit or credit, taking references to subsection (6) of section 2 of the principal Act and paragraphs (a) and (b) of that subsection as references to subsection (2) above and paragraphs (a) and (b) of that subsection.