

SCHEDULES

SCHEDULE 22

SUPPLEMENTARY PROVISIONS AS TO ELECTIONS BY REFERENCE TO PIPE-LINE USAGE

PART II

SUPPLEMENTARY PROVISIONS

Transfer of elected assets

- 12 (1) This paragraph applies if there is a disposal of an asset which, immediately before the disposal or at an earlier time, was an asset to which an election applies; and in this paragraph—
- (a) “the asset transferred” means the asset so disposed of;
 - (b) “the vendor” means the electing participator or other person by whom the asset is disposed of.
- (2) Where a person has incurred expenditure on the acquisition of a transferred asset, he shall be treated for the purposes of the expenditure relief provisions as having incurred that expenditure only to the extent that it does not exceed the amount which, having regard to section 232 of this Act or the previous operation of this paragraph, was (in the case of the vendor) allowable under those provisions immediately before the disposal in respect of his expenditure on the asset.
- (3) Any expenditure incurred on the asset after the disposal shall be left out of account for the purposes of the expenditure relief provisions.