



Finance Act 2001

2001 CHAPTER 9

PART 4

OTHER TAXES

Petroleum revenue tax

101 PRT: unrelievable field losses

(1) In section 6 of the Oil Taxation Act 1975 (c. 22) (allowance of unrelievable loss from abandoned field), for subsections (1) and (1A) substitute—

“(1) In the case of a participator in an oil field, an allowable unrelievable field loss is the unrelievable portion of an allowable loss falling within subsection (1B) below.

(1A) Subsection (1) above is subject to subsections (5) to (9) below and Schedule 8 to this Act.

(1B) An allowable loss falls within this subsection if—

- (a) the loss accrued in any chargeable period from another field (“the abandoned field”),
- (b) the person to whom the loss accrued is—
 - (i) the participator, or
 - (ii) if the participator is a company, a company associated with the participator in respect of the loss (see subsection (3) below),
- (c) the loss accrued to that person as a participator in the abandoned field, and
- (d) the winning of oil from the abandoned field has permanently ceased.

(1C) The “unrelievable portion” of an allowable loss falling within subsection (1B) above is so much of that loss as cannot under the provisions of section 7 of

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, Section 101. (See end of Document for details)

this Act be relieved against assessable profits accruing from the abandoned field to the person to whom the loss accrued.

(1D) Subsection (1C) above is subject to Schedule 32 to the Finance Act 2001 (determination of unrelievable portion where Parts 2 and 3 of Schedule 17 to the Finance Act 1980 did not apply to transfer of interest in abandoned field).”.

(2) In subsection (2) of that section, for “subsection (1) above” substitute “subsection (1B) above”.

(3) In section 113(2) of the Finance Act 1984 (c. 43)—

(a) for the words from “which, in the case” to “in subsection (1)” substitute “falling within subsection (1B)”; and

(b) for “from that other field” substitute “from the abandoned field”.

(4) Schedule 32 to this Act has effect.

(5) The provisions of this section shall be deemed to have come into force on 7th March 2001.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2001, Section 101.