

SCHEDULES

SCHEDULE 15

OIL ACTIVITIES: TRANSFERABLE TAX HISTORY

PART 7

SUPPLEMENTARY CHARGE: RECALCULATION OF ADJUSTED RING FENCE PROFITS

“Adjusted finance cost amount”

55 The “adjusted finance cost amount” for a loss period is the amount equal to—
(A/L) × FC

where—

A is the amount applied, in relation to the loss period, in accordance with paragraph 25(2)(b) or (3)(b) for the pre-acquisition accounting period,

L is the amount of the decommissioning loss in the loss period (see paragraph 23(d)(i) and (ii)), and

FC is the lower of—

- (a) the amount of the financing costs brought into account under section 330(3) of CTA 2010 for the purposes of determining the purchaser’s adjusted ring fence profits for the loss period, and
- (b) the amount of the purchaser’s loss in the ring fence trade for the loss period (see paragraph 23(d)(i)).