SCHEDULES

SCHEDULE 15

OIL ACTIVITIES: TRANSFERABLE TAX HISTORY

PART 14

SUPPLEMENTARY

Multiple interests in the same oil field

92 (1) This paragraph applies if—

(a) interests in more than one UK oil licence are sold by the seller to the purchaser at the same time, and

(b) the seller and the purchaser would be entitled to jointly make a TTH election in respect of more than one interest in the same oil field that falls within both licensed areas.

(2) The seller and purchaser may jointly make a TTH election in respect of all interests in the oil field.

(3) If an election is made in accordance with this paragraph, the interests mentioned in sub-paragraph (2) are to be treated as a single interest for the purposes of this Schedule (and references in this Schedule to "the TTH asset" are to be construed accordingly).

Multiple TTH elections

93 (1) This paragraph applies if, in a loss period, more than one TTH election in respect of the TTH asset has effect in relation to the purchaser.

(2) For the purposes of paragraph 44 (allocation of activated TTH to an accounting period)—

(a) references to the unused transferred profits amount for an accounting period are to be treated as references to the total of the unused transferred profits amounts for that period in respect of each of the TTH elections, and

(b) the amount in respect of a later TTH election is to be allocated to an accounting period before the amount which is subject to an earlier TTH election.

Appeals

94 (1) A person may appeal against—

(a) a decision that a penalty under paragraph 68 is payable by that person;

(b) a decision to withdraw a TTH election under paragraph 72;

(c) a decision to amend a TTH election under paragraph 74 (amounts discovered to be incorrect).

(2) Notice of an appeal must be given—

(a) in writing,

(b) before the end of the period of 30 days beginning with the date on which notice of the decision is given, and

(c) to an officer of Revenue and Customs.

(3) Notice of an appeal must state the grounds of appeal.

(4) On an appeal that is notified to the tribunal, the tribunal may—

(a) confirm or cancel the decision, or

(b) in the case of an appeal within sub-paragraph (1)(c), substitute for the decision another decision that an officer of Revenue and Customs had power to make.

(5) If a decision under paragraph 72 (withdrawal) is cancelled, the TTH election is to be treated as having had continuing effect (subject to any further appeal).

(6) Subject to this paragraph and (in the case of an appeal within sub-paragraph (1)(a)) paragraph 70, the provisions of Part 5 of TMA 1970 relating to appeals have effect in relation to appeals under this paragraph as they have effect in relation to appeals against an assessment to corporation tax.

Anti-avoidance

95 (1) If a person enters into arrangements within sub-paragraph (2), an officer of Revenue and Customs may—

(a) amend a TTH election, or

(b) amend or disallow a claim,

to secure that the election or claim has effect as if the arrangements had not been entered into.

(2) Arrangements are within this sub-paragraph if it is reasonable to regard the arrangements as—

(a) designed to secure that an entitlement to a repayment, or an increased repayment, of tax by reason of the application of any provision of this Schedule, arises earlier than would (apart from the arrangements) be the case,

(b) circumventing the intended limits of the provisions of this Schedule on an amount that is relevant for the purposes of determining a repayment of tax by reference to those provisions, or

(c) otherwise exploiting shortcomings in those provisions.

(3) In this paragraph, “arrangements” includes any agreement, understanding, scheme, transaction or series of transactions (whether or not legally enforceable).

96 (1) If relief is given to a person under the trade loss relief provisions by reference to an amount of the seller’s ring fence profits which (by reason of the application of the provisions of this Schedule) is treated as if it were an amount of the purchaser’s profits, no relief may be given to any other person by reference to the same amount.

(2) If a repayment of supplementary charge is made to a person by reference to an amount of the seller's adjusted ring fence profits which (by reason of the application of the provisions of this Schedule) is treated as if it were an amount of the purchaser's adjusted ring fence profits, no repayment may be made to any other person by reference to the same amount.