STATUTORY INSTRUMENTS

1980 No. 1962

INCOME TAX

The Double Taxation Relief (Taxes on Income) (Norway) (No. 3) Order 1980

Laid before the House of Commons in draft

Made - - - - 17th December 1980

At the Court at Buckingham Palace, the 17th day of December 1980

Present,

The Queen's Most Excellent Majesty in Council

Whereas a draft of this Order was laid before the House of Commons in accordance with the provisions of section 497(8) of the Income and Corporation Taxes Act 1970(a), and an Address has been presented to Her Majesty by that House praying that an Order may be made in the terms of that draft:

Now, therefore, Her Majesty, in exercise of the powers conferred upon Her by section 497 of the Income and Corporation Taxes Act 1970, and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

1. This Order may be cited as the Double Taxation Relief (Taxes on Income) (Norway) (No. 3) Order 1980.

2. It is hereby declared—

(*a*) that the arrangements specified in the Protocol set out in the Schedule to this Order, which vary the arrangements set out in the Schedule to the Double Taxation Relief (Taxes on Income) (Norway) Order 1970(b) have been made with the Government of the Kingdom of Norway with a view to affording relief from double taxation in relation to income tax, corporation tax or capital gains tax and taxes of a similar character imposed by the laws of Norway; and

(*b*) that it is expedient that those arrangements should have effect.

N. E. Leigh,
Clerk of the Privy Council.

(a) 1970 c. 10; section 497 was amended and extended by sections 98(2) and 100(1) of the Finance Act 1972 (c. 41) and section 10 of the Capital Gains Tax Act 1979 (c. 14).
(b) S.I. 1970/154.

SCHEDULE

PROTOCOL BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE KINGDOM OF NORWAY, FURTHER AMENDING THE CONVENTION FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME AND CAPITAL, SIGNED AT LONDON ON 22 JANUARY 1969, AS AMENDED BY THE PROTOCOL SIGNED AT LONDON ON 23 JUNE 1977 AND BY THE PROTOCOLS SIGNED AT OSLO ON 29 MARCH 1978 AND 16 OCTOBER 1979.

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Norway;

Desiring to conclude a Protocol further to amend the Convention between the Contracting States for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and Capital, signed at London on 22 January 1969, as amended by the Protocol signed at London on 23 June 1977 and by the Protocols signed at Oslo on 29 March 1978 and 16 October 1979 (hereinafter referred to as "the Convention");

Have agreed as follows:

ARTICLE I

The following new Article shall be inserted immediately after Article 31C:

"ARTICLE 31D

Murchison Field Reservoir

(1) The provisions of this Article shall apply to the Murchison Field Reservoir as defined in Article 23 of the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Norway relating to the exploitation of the Murchison Field Reservoir and the offtake of petroleum therefrom signed at Oslo on 16 October 1979.

(2) The provisions of this Article and of Article 31B of this Convention shall have effect for the Murchison Field Reservoir as follows:

(*a*) in the United Kingdom, for any year of assessment, financial year or chargeable period beginning on or after 1 April 1980 including in the case of Petroleum Revenue Tax the first chargeable period thereof;

(*b*) in Norway, for any year of income, beginning on or after 1 January 1980 (including accounting periods closed in any such year).

(3) Notwithstanding any other provision of this Convention the taxation of profits from the transportation, up to and through the terminal but not from the terminal, of oil (including gas and other hydrocarbons) from the Murchison Field Reservoir, and of gains realised on the disposal of, and the charging of capital taxes in respect of, installations used for such transportation shall be governed by the principles set out in paragraphs (2) and (4) as appropriate of Article 31B of this Convention.

(4) This Article shall not have the effect of denying relief in respect of expenditure or losses incurred in connection with the field before 1 April 1980 or 1 January 1980 as the case may be."

ARTICLE II

Each of the Contracting States shall notify to the other the completion of the procedure required by its law for the bringing into force of this Protocol. This Protocol shall enter into force on the date of the later of these notifications.

In witness whereof the undersigned, duly authorised thereto by their respective Governments, have signed this Protocol.

Done in duplicate at London this 30th day of September 1980, in the English and Norwegian languages, both texts being equally authoritative.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

IAN GILMOUR

For the Government of the Kingdom of Norway:

FRITHJOF H. JACOBSEN

EXPLANATORY NOTE

(This Note is not part of the Order.)

The Protocol scheduled to this Order amends the Convention with Norway signed on 22 January 1969 and provides for the provisions of Article 31B of the Convention—which relate to the avoidance of double taxation of profits, gains and capital of transmedian line oil and gas fields—to apply to the Murchison field, including the transportation of oil and other hydrocarbons from the field. The provisions are to take effect in the United Kingdom from 1 April 1980 and in Norway from 1 January 1980.

SI 1980/1962
ISBN 0-11-007962-0

