

## Government revenues from UK oil and gas production

£ million

Financial Year	Licence Fees		Petroleum revenue tax	Supplementary petroleum duty	Corporation tax (CT)			Supplementary charge (SC)	Total revenues (excluding gas levy)	Gas levy (gross)	GDP deflator 2017/18=100
	Royalty				Total before ACT set off	ACT set-off	Ring Fence CT (RFCT)				
1964/65	2							2		5.7	
1965/66	1							1		6.0	
1966/67										6.2	
1967/68										6.4	
1968/69		1						1		6.8	
1969/70		2						2		7.2	
1970/71	1	3			2		2	6		7.9	
1971/72	39	6			4		4	49		8.5	
1972/73	4	11			4		4	19		9.2	
1973/74	3	12			3		3	18		10.1	
1974/75	4	15			5		5	24		12.1	
1975/76	2	20			5		5	27		15.0	
1976/77	5	71			10		10	86		17.1	
1977/78	7	228			10		10	245		19.5	
1978/79	9	289	183		93	40	53	574		21.7	
1979/80	10	628	1,435		250	78	172	2,323		25.3	
1980/81	220	992	2,410		341	97	244	3,963		30.2	
1981/82	14	1,396	2,390	2,025	681	270	411	6,506	383	33.4	
1982/83	46	1,632	3,274	2,395	521	202	319	7,868	471	35.8	
1983/84	19	1,904	6,017		877	430	447	8,817	522	37.5	
1984/85	136	2,426	7,177		2,432	1,244	1,188	12,171	500	39.6	
1985/86	23	2,057	6,375		2,916	1,085	1,831	11,371	525	41.8	
1986/87	21	919	1,188		2,676	1,130	1,546	4,804	515	43.5	
1987/88	27	1,024	2,296		1,298	681	617	4,645	502	45.9	
1988/89	25	602	1,371		1,195	685	510	3,193	407	48.9	
1989/90	33	575	1,050		743	495	248	2,401	335	52.7	
1990/91	31	605	860		847	363	484	2,343	291	57.0	
1991/92	37	557	-216		638	370	268	1,016	282	60.3	
1992/93	34	554	69		682	480	202	1,339	287	61.8	
1993/94	43	606	359		258	219	39	1,266	240	63.3	
1994/95	41	550	712		380	299	81	1,683	175	64.1	
1995/96	49	555	968		766	674	92	2,338	161	66.0	
1996/97	48	684	1,729		890	460	430	3,351	198	68.4	
1997/98	54	535	963		1,779	821	958	3,331	200	68.8	
1998/99	62	343	504		1,605	655	950	2,514		69.7	
1999/2000	53	389	853		1,268	120	1,148	2,563		70.0	
2000/01	55	552	1,518		2,329		2,329	4,454		71.6	
2001/02	59	548	1,310		3,515		3,515	5,432		72.3	
2002/03	63	434	958		3,369		3,369	5,117	293	74.1	
2003/04	58	-13	1,179		2,291		2,291	4,281	766	75.6	
2004/05	56		1,284		2,790		2,790	5,171	1,041	77.6	
2005/06	58		2,016		5,210		5,210	9,381	2,097	79.7	
2006/07	63		2,155		4,919		4,919	8,927	1,790	82.0	
2007/08	57		1,680		3,402		3,402	7,465	2,326	84.1	
2008/09	63		2,567		5,716		5,716	12,456	4,110	86.4	
2009/10	68		923		2,839		2,839	5,989	2,159	87.6	
2010/11	69		1,458		3,810		3,810	8,391	3,054	89.2	
2011/12	67		2,032		4,714		4,714	10,939	4,126	90.4	
2012/13	69		1,737		1,916		1,916	6,218	2,496	92.2	
2013/14	71		1,118		1,665		1,665	4,745	1,891	93.9	
2014/15	65		77		970		970	2,168	1,056	95.1	
2015/16	71		-562		364		364	69	196	95.9	
2016/17	65		-654		252		252	-285	52	98.0	
2017/18	62		-569		1,300		1,300	1,250	457	100.0	

### Notes

The above table summarises the tax revenues from oil and gas production in the UK and its continental shelf since 1964/65.

Licence fees include receipts from fees for onshore and offshore petroleum exploration and production licences, including tender receipts from offshore licensing of £37 million from the 4th round in 1971/72, £33 million the 8th round in 1982/83 and £121 million from the 9th round in 1984/85 and £210 million in 1980/81 from the award of licences in the company nominated area under the 7th round.

North Sea royalty, previously payable at a rate of 12½ per cent on gross revenues from fields given development approval prior to April 1982, was abolished in its entirety with effect from 1 January 2003.

The rate of petroleum revenue tax was reduced permanently to zero with effect from 1 January 2016.

Supplementary Petroleum Duty (SPD) was introduced with effect from 1 January 1981 by the 1981 Finance Act and lapsed after 31 December 1982; it was payable at the rate of 20% on the gross value of oil and gas produced under UK licences less an allowance per field of 1 million tonnes per year; it did not apply to PRT-exempt sales of gas to the British Gas Corporation.

Advance Petroleum Revenue Tax (APRT), which was payable between 1983 and 1986, is included with petroleum revenue tax (PRT). The net PRT repayment in 1991/92 and low net receipts in 1992/93 resulted from high tax-relievable expenditure claimed on some fields.

Figures for corporation tax for recent years are provisional. They are subject to change in the future when payments originally made in respect of a group of companies are subsequently re-allocated to individual companies within the group. The corporation tax estimates include mainstream tax and the Advance Corporation Tax (ACT) set-off against the tax charged. The ACT set-off is estimated because the dividends attributable to UK oil and gas cannot be separately identified from other dividends. The level of corporation tax receipts in 1993/94 reflected low liabilities in 1992 (paid in the following financial year) and repayment resulting from lower settlements for earlier years.

The supplementary charge in respect of ring fence trades was introduced from 17 April 2002; the rate was increased from 10 to 20 per cent with effect from 1 January 2006 and to 32 per cent with effect from 24 March 2011; it was reduced to 20 per cent with effect from 1 January 2015 and to 10 per cent with effect from 1 January 2016. For recent years, the split between RFCT and SC shown above is illustrative.

The gas levy was introduced in 1981 to capture the rent accruing to the nationalised British Gas Corporation from purchasing PRT-exempt gas under long term contracts signed before the general rise in gas prices. It was abolished with effect from 1 April 1998. The yield from gas levy is not included in total Government revenues because it is categorised as a tax on expenditure rather than on income from oil and gas production.