

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 2019/20=100
	Royalty				Total before ACT set off	ACT set-off	Ring Fence CT (RFCT)				
1964/65	2							2		5.351	
1965/66	1							1		5.640	
1966/67										5.927	
1967/68										6.091	
1968/69		1						1		6.409	
1969/70		2						2		6.853	
1970/71	1	3			2		2	6		7.529	
1971/72	39	6			4		4	49		8.098	
1972/73	4	11			4		4	19		8.786	
1973/74	3	12			3		3	18		9.559	
1974/75	4	15			5		5	24		11.500	
1975/76	2	20			5		5	27		14.315	
1976/77	5	71			10		10	86		16.307	
1977/78	7	228			10		10	245		18.550	
1978/79	9	289	183		93	40	53	574		20.639	
1979/80	10	628	1,435		250	78	172	2,323		24.116	
1980/81	220	992	2,410		341	97	244	3,963		28.729	
1981/82	14	1,396	2,390	2,025	681	270	411	6,506	383	31.754	
1982/83	46	1,632	3,274	2,395	521	202	319	7,868	471	34.092	
1983/84	19	1,904	6,017		877	430	447	8,817	522	35.720	
1984/85	136	2,426	7,177		2,432	1,244	1,188	12,171	500	37.751	
1985/86	23	2,057	6,375		2,916	1,085	1,831	11,371	525	39.854	
1986/87	21	919	1,188		2,676	1,130	1,546	4,804	515	41.505	
1987/88	27	1,024	2,296		1,298	681	617	4,645	502	43.828	
1988/89	25	602	1,371		1,195	685	510	3,193	407	46.691	
1989/90	33	575	1,050		743	495	248	2,401	335	50.310	
1990/91	31	605	860		847	363	484	2,343	291	54.447	
1991/92	37	557	-216		638	370	268	1,016	282	57.610	
1992/93	34	554	69		682	480	202	1,339	287	59.110	
1993/94	43	606	359		258	219	39	1,266	240	60.562	
1994/95	41	550	712		380	299	81	1,683	175	61.355	
1995/96	49	555	968		766	674	92	2,338	161	63.149	
1996/97	48	684	1,729		890	460	430	3,351	198	65.650	
1997/98	54	535	963		1,779	821	958	3,331	200	65.928	
1998/99	62	343	504		1,605	655	950	2,514		66.955	
1999/2000	53	389	853		1,268	120	1,148	2,563		67.220	
2000/01	55	552	1,518		2,329		2,329	4,454		68.529	
2001/02	59	548	1,310		3,515		3,515	5,432		69.383	
2002/03	63	434	958		3,369		3,369	5,117	293	70.994	
2003/04	58	-13	1,179		2,291		2,291	4,281	766	72.422	
2004/05	56		1,284		2,790		2,790	5,171	1,041	74.471	
2005/06	58		2,016		5,210		5,210	9,381	2,097	76.287	
2006/07	63		2,155		4,919		4,919	8,927	1,790	78.453	
2007/08	57		1,680		3,402		3,402	7,465	2,326	80.540	
2008/09	63		2,567		5,716		5,716	12,456	4,110	82.595	
2009/10	68		923		2,839		2,839	5,989	2,159	83.957	
2010/11	69		1,458		3,810		3,810	8,391	3,054	85.395	
2011/12	67		2,032		4,714		4,714	10,939	4,126	86.698	
2012/13	69		1,737		1,916		1,916	6,218	2,496	88.484	
2013/14	71		1,118		1,665		1,665	4,745	1,891	90.191	
2014/15	65		77		970		970	2,168	1,056	91.450	
2015/16	71		-562		364		364	69	196	92.238	
2016/17	65		-654		245		245	-294	50	94.422	
2017/18	62		-569		1,423		1,423	1,250	334	96.053	
2018/19	73		-744		1,568		1,568	1,241	344	98.102	
2019/20	68		-411		1,045		1,045	931	229	100.000	

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.