

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		5.024	
1965/66	1							1		5.295	
1966/67										5.566	
1967/68										5.718	
1968/69		1						1		6.018	
1969/70		2						2		6.434	
1970/71	1	3			2		2	6		7.069	
1971/72	39	6			4		4	49		7.603	
1972/73	4	11			4		4	19		8.249	
1973/74	3	12			3		3	18		8.976	
1974/75	4	15			5		5	24		10.798	
1975/76	2	20			5		5	27		13.441	
1976/77	5	71			10		10	86		15.312	
1977/78	7	228			10		10	245		17.418	
1978/79	9	289	183		93	40	53	574		19.379	
1979/80	10	628	1,435		250	78	172	2,323		22.645	
1980/81	220	992	2,410		341	97	244	3,963		26.974	
1981/82	14	1,396	2,390	2,025	681	270	411	6,506	383	29.815	
1982/83	46	1,632	3,274	2,395	521	202	319	7,868	471	32.010	
1983/84	19	1,904	6,017		877	430	447	8,817	522	33.539	
1984/85	136	2,426	7,177		2,432	1,244	1,188	12,171	500	35.446	
1985/86	23	2,057	6,375		2,916	1,085	1,831	11,371	525	37.419	
1986/87	21	919	1,188		2,676	1,130	1,546	4,804	515	38.971	
1987/88	27	1,024	2,296		1,298	681	617	4,645	502	41.151	
1988/89	25	602	1,371		1,195	685	510	3,193	407	43.839	
1989/90	33	575	1,050		743	495	248	2,401	335	47.238	
1990/91	31	605	860		847	363	484	2,343	291	51.121	
1991/92	37	557	-216		638	370	268	1,016	282	54.091	
1992/93	34	554	69		682	480	202	1,339	287	55.499	
1993/94	43	606	359		258	219	39	1,266	240	56.865	
1994/95	41	550	712		380	299	81	1,683	175	57.601	
1995/96	49	555	968		766	674	92	2,338	161	59.314	
1996/97	48	684	1,729		890	460	430	3,351	198	61.422	
1997/98	54	535	963		1,779	821	958	3,331	200	61.219	
1998/99	62	343	504		1,605	655	950	2,514		62.227	
1999/2000	53	389	853		1,268	120	1,148	2,563		62.504	
2000/01	55	552	1,518		2,329		2,329	4,454		63.644	
2001/02	59	548	1,310		3,515		3,515	5,432		64.574	
2002/03	63	434	958		3,369		3,369	5,117	293	66.015	
2003/04	58	-13	1,179		2,291		2,291	4,281	766	67.433	
2004/05	56		1,284		2,790		2,790	5,171	1,041	69.359	
2005/06	58		2,016		5,210		5,210	9,381	2,097	71.189	
2006/07	63		2,155		4,919		4,919	8,927	1,790	73.210	
2007/08	57		1,680		3,402		3,402	7,465	2,326	75.274	
2008/09	63		2,567		5,716		5,716	12,456	4,110	77.313	
2009/10	68		923		2,839		2,839	5,989	2,159	78.549	
2010/11	69		1,458		3,810		3,810	8,391	3,054	79.987	
2011/12	67		2,032		4,714		4,714	10,939	4,126	81.200	
2012/13	69		1,737		1,916		1,916	6,218	2,496	82.860	
2013/14	71		1,118		1,665		1,665	4,745	1,891	84.355	
2014/15	65		77		970		970	2,168	1,056	85.518	
2015/16	71		-562		364		364	69	196	86.216	
2016/17	65		-654		245		245	-294	50	88.350	
2017/18	62		-569		1,423		1,423	1,250	334	89.905	
2018/19	73		-744		1,565		1,565	1,241	347	91.995	
2019/20	68		-408		1,080		1,080	934	194	94.068	
2020/21	68		-250		422		422	316	76	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.

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.