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Guaranteed tax relief to United Kingdom oil fields by [Stevebavaro2011@gmail.com](mailto:Stevebavaro2011@gmail.com)

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According to Treasury Britain hopes to unlock billions of pounds of investment in its North Sea oil fields by offering energy companies a guaranteed level of tax relief for when they eventually close their oil platforms. The sources further stated that George Osborne, the finance minister is expected in his March 21 budget to outline a scheme the government believes could attract at least 17 billion pounds (\$27 billion) of additional capital investment. Budget announcement is expected in March 21.

The step has been initiated to provide certainty to oil companies who have struggled to secure funding for exploration or to take over older platforms, especially for smaller firms. Because of the huge decommissioning costs and the uncertainty over the level of tax relief available, Investors have been discouraged from backing such projects. In Past few years larger oil companies such as BP Plc have been scaling back their operations as profit margins narrow, selling fields to smaller firms to whom they are more valuable and who could then tap the remaining reserves.

Because oil and gas companies are liable for the cost of decommissioning, such as for plugging old wells and removing production platforms and pipelines once the oil and gas reserves have been pumped out, this transition has been held back. Presently Firms receive tax relief of between 50 and 75 percent, with the level of tax relief rising with the age of the oil field. UK Government hopes to unlock \$27 billion of capital investment in North Sea oil. Need funds then apply with quick unsecured personal loans @ <http://www.quickunsecuredpersonalloans.co.uk/> and get easy cash and settle all pending expenses which are urgent in nature.

Osborne announced in his budget last year that he was working towards this aim. UK government is expected to propose it signs contracts with the industry setting out in advance the level of decommissioning tax relief firms will get. As per the Treasury sources the government said it would deliver certainty over decommissioning, and this should pave the way for billions of pounds of new investment in the North Sea. Nearly 470 oil and gas installations in the North Sea are employing some 350,000 people. Last march Osborne provoked an outcry by the energy industry in his budget by unexpectedly raising a supplementary tax charge on oil and gas producers to 32 percent from 20 percent to fund a cut in fuel duty for consumers.

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