

operating costs attributable to licences held by the person immediately prior to the change of control.

(2) The rule out in this paragraph applies with the necessary changes to any successive change of control of the person.

6. If, at the end of a person's tax year, the aggregate of amounts **C**, **D**, and **E** in the definition of cumulative resource expense exceed the aggregate of amounts **A** and **B** in the definition of "cumulative resource expense", the amount is deemed to be net income from petroleum operations for the person for the tax year.

7. Gross income from petroleum operations, income after operating costs, net income from petroleum operations, direct operating costs, excess operating costs resource expense, and cumulative resource expense shall only be used to compute the income tax liability of a person pursuant to this Schedule and shall not be used in computing any income tax liability pursuant to the provisions of this Act.

8. Direct operating costs, excess operating costs or cumulative resource expense is not allowable or deductible if it is not reasonable in the circumstances or constitutes a payment for goods or services to be used or enjoyed after the end of a person's tax year.

**THIRD SCHEDULE** (section 36)

**ANNUAL ALLOWANCE**

The annual allowance rates specified for the purposes of section 36 are -

Asset	Depreciation Rate
Motor vehicles; buses and minibuses with a seating capacity of less than 30 passengers; goods vehicles with a load capacity of less than 7 tonnes; computers and data handling equipment; and construction equipment and earthmoving equipment	40%
Buses with a seating capacity of 30 or more passengers; goods vehicles designed to carry or pull loads of more than 7 tonnes; specialised trucks; tractors; trailers and trailer-mounted containers; and plant and machinery used in manufacturing, mining, or farming operations	30%
Vessels, barges, tugs, and similar water transportation equipment; aircraft; specialised public utility plant, equipment, and machinery; office furniture, fixtures, and equipment; any depreciable asset not included in another category	20%
Buildings	5%