
*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 1966, Part II. (See end of Document for details)*

SCHEDULES

SCHEDULE 1

RELIEFS FOR SHIPBUILDERS

PART II

REDUCTIONS IN PURCHASE PRICE OR OPEN MARKET VALUE

- 2 (1) Where the amount payable in respect of any vessel or other structure under the said section 2 is, by virtue of subsection (3) thereof, to be determined by reference to the price payable as mentioned in that subsection, then—
- (a) if the terms of the contract in question are such that the applicant for the payment will bear any of the following, that is, any freight, insurance or other costs, charges or expenses incurred in respect of the vessel or structure or its fittings or equipment after their delivery pursuant thereto or, where delivery is to be effected outside the United Kingdom, after their departure from the United Kingdom for the purpose, the price shall be treated for the purposes of that subsection as reduced by an amount reflecting the burden thus assumed by the applicant;
 - (b) if the whole or any part of the price is payable twelve months or more after the time when the property in the vessel or structure passes or, if later, the time of delivery of the vessel or structure or of its departure from the United Kingdom for the purpose of delivery, the price shall be treated for those purposes as reduced by an amount representing the discount which would be chargeable for obtaining payment at that earlier time at a rate of interest equal to the bank rate then prevailing.
- (2) In the foregoing sub-paragraph “bank rate” means the minimum rate at which the Bank of England will lend to a discount house having access to the Discount Office of the Bank.
- 3 If, after consultation with the Board of Trade, it appears to the Commissioners that the fittings and other equipment supplied with any vessel or other structure include any items the supply of which would not in the ordinary course of events be undertaken by a person building such a vessel or structure for delivery to another as that other’s property, the price or, as the case may be, open market value referred to in the said subsection (3) shall be treated for the purposes of that subsection as reduced by an amount equal to the open market value of the items in question; and the provisions of paragraph 1 of this Schedule shall apply for the purpose of determining that value, subject to any necessary modifications.

Modifications etc. (not altering text)

C1 Functions of Board of Trade now exercisable concurrently by Secretary of State: [S.I. 1970/1537, art. 2\(1\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1966, Part II.