



Finance Act 1968

1968 CHAPTER 44

PART VI

MISCELLANEOUS

53 Interest on overdue tax

- (1) In section 495(2) of the Income Tax Act 1952 and in section 8(2) of the Finance (No. 2) Act 1947 (remission of interest for tax paid not later than three months from the date on which it becomes due and payable) for the words "three months " there shall be substituted the words " two months ".
- (2) Without prejudice to the general interpretative provisions of this Act, this section applies to the enactments mentioned in subsection (1) above as extended by any other enactment, and in particular it applies to section 495(2) of the Income Tax Act 1952 as extended to capital gains tax and corporation tax.
- (3) This section has effect as respects tax becoming due and payable on or after 1st July 1968.

54 Premium savings bonds: increase of prize money

- (1) The terms of issue of premium savings bonds shall be altered by substituting for the prospectus relating to the issue of bonds of series B the provisions of Schedule 18 to this Act, being provisions which—
 - (a) increase the rate of interest at which the prize fund is calculated from 4 ½ per cent, to 4 ⅝ per cent, (but subject, as in the existing prospectus, to a power of varying the rate of interest by giving not less than three months notice), and
 - (b) give effect to that increase in the rate of interest by providing for—
 - (i) a weekly draw of one £25,000 prize, and
 - (ii) an adjustment of the prizes on the monthly draw.

Status: This is the original version (as it was originally enacted).

- (2) Subsection (1) above shall come into force on 1st September 1968 and have effect as respects all bonds issued before that date, whether before or after the passing of this Act.
- (3) If after the coming into force of subsection (1) above the Treasury issue premium savings bonds on the terms set out in the said Schedule to this Act, they may use any stock of forms of bonds which were prepared before the passing of this Act, notwithstanding that the forms refer to the prospectus superseded by subsection (1) above, and bonds issued in that form shall be valid and effectual as if they stated that the bond was issued under the terms in the said Schedule to this
- This subsection applies whether or not the bonds are issued after notice has been given, in pursuance of paragraph 15 in the said Schedule, of a variation of its terms.
- (4) In this section " bonds of series B " means the second issue of premium savings bonds, and " premium savings bonds " means both those issued under the National Loans Act 1939 and those issued under the National Loans Act 1968.

55 Exchange control

- (1) The definitions of " securities " and " security " in section 42(1) of the Exchange Control Act 1947 and in section 2(3) of the Emergency Laws (Re-enactments and Repeals) Act 1964 (power of Treasury to prohibit action on certain orders as to securities) shall include—
- (a) certificates of deposit,
 - (b) Government bills, and
 - (c) any description of promissory notes which is for the time being prescribed under this paragraph for the purposes of the Exchange Control Act 1947, or of the said section 2, or both.
- (2) Sections 21 and 22 of the Exchange Control Act 1947 (restrictions on import and on export) shall apply as if the references therein to Treasury bills included references to all Government bills, certificates of deposit and any description of promissory notes which is for the time being prescribed under subsection (1)(c) above for the purposes of the Exchange Control Act 1947.
- (3) In this section—
- " certificate of deposit " means a document relating to money, in any currency, which has been deposited with the issuer or some other person, being a document which recognises an obligation to pay a stated amount to bearer or to order, with or without interest, and being a document by the delivery of which, with or without endorsement, the right to receive that stated amount, with or without interest, is transferable,
- " Government bill " means any bill, note or other obligation of a Government in any part of the world, being a document by the delivery of which, with or without endorsement, title is transferable, and not being an obligation which is or has been legal tender in any part of the world, and " Government bill " includes in particular a Treasury bill,
- " prescribed "—
- (a) in relation to the Exchange Control Act 1947, has the same meaning as in that Act,

- (b) in relation to the said Act of 1964, means prescribed by the Treasury by order in a statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament,
and any such order may be varied or revoked by a subsequent order so made.
- (4) This section has effect notwithstanding that the said definitions of " securities " and " security " exclude promissory notes.
- (5) This section—
- (a) so far as it relates to the Exchange Control Act 1947, shall be construed as one with that Act, and
- (b) so far as it relates to the said Act of 1964, shall be construed as one with section 2 of that Act,
- (6) The amendments made by this section in the Exchange Control Act 1947 shall take effect also in the provisions of that Act which extend to the Channel Islands by virtue of any Order in Council under section 43(3) of that Act, and this section shall apply outside the United Kingdom in the same way as that Act, or as the case may be, section 2 of the said Act of 1964, so applies.

56 Stamp duties: amendments as respects loan capital duty

- (1) Subsections (3) and (4) of section 28 of the Finance Act 1967 (under which loan capital issued by a company and incapable of being dealt in on a United Kingdom stock exchange is exempt from duty under section 8 of the Finance Act 1899 if it is repayable within five years of issue, on demand, or after notice not exceeding one year) shall have effect as respects loan capital issued on or after 1st August 1968 as if, for each reference to five years, there were substituted a reference to ten years.
- (2) Subsection (2) of the said section 28 (under which payment of duty under the said section 8 franks any trust deed or other instrument securing the loan capital in question) shall have effect in relation to any trust deed or other instrument securing loan capital issued after the passing of this Act by a corporation, company or body of persons formed or established in Northern Ireland as if the references therein to duty under the said section 8 were references to duty under that section as it has effect in Northern Ireland.

57 Stamp duties: further provisions as to composition by bankers

- (1) This section applies to the duty chargeable under the heading " Bill of Exchange or Promissory Note " in Schedule 1 to the Stamp Act 1891.
- (2) Section 39(1)(a) of the Finance Act 1956 (under which the Commissioners may enter into an agreement with any banker for the composition of that duty so far as chargeable on instruments which are drawn on the banker by his customers and on forms supplied by him) shall be amended so as to read—
- “(a) drawn either on the banker or on another banker by customers of, and on forms supplied by, the former, or”;
- and, in any agreement under the said section 39 made with a banker before the passing of this Act, references to instruments drawn on the banker by his customers on forms supplied by him shall, as respects accounting periods thereunder beginning after 20th July 1968, be construed as references to instruments drawn either on the banker or on another banker by customers of, and on forms supplied by, the former.

Status: This is the original version (as it was originally enacted).

- (3) The Commissioners may, in accordance with the following provisions of this section, enter into an agreement with any banker for the composition of the duty so far as chargeable on instruments of any description specified in the agreement, being instruments which are drawn on the banker and presented to him for payment.
- (4) Any such agreement shall require the banker to deliver to the Commissioners periodical accounts in respect of the instruments to which it relates, giving such particulars with respect thereto as may be specified in the agreement, and may contain such other terms and conditions as the Commissioners think proper.
- (5) Where any such agreement has been made with a banker, no instrument to which the agreement relates shall be chargeable with the duty if it contains the statement " Stamp duty (if any) compounded for under section 57 of the Finance Act 1968 ", but the banker shall pay to the Commissioners, on the delivery of any account under the agreement, such sums as would apart from this section have been chargeable by way of the duty on instruments to which the agreement relates so far as presented to him for payment during the period to which the account relates.
- (6) Where a banker makes default in delivering any account required by any such agreement, or in paying the duty payable on the delivery of any such account, he shall be liable to a fine not exceeding £50 for any day during which the default continues, and shall also be liable to pay to Her Majesty, in addition to the duty, interest thereon at the rate of 5 per cent, per annum from the date when the default begins.
- (7) Any person who—
- (a) utters an instrument which is chargeable with the duty, but which contains the statement referred to in subsection (5) above or any other indication that it need not be stamped, or
 - (b) procures the printing of a form containing the said statement, or any other indication that it need not be stamped, being a form which is capable of being completed as an instrument chargeable with the duty and which he does not reasonably believe will be completed (if at all) as an instrument not so chargeable,
- shall be liable on summary conviction to a fine not exceeding £100.
- (8) This section shall be construed as one with the Stamp Act 1891.

58 Reliefs from surcharge under Sugar Act 1956

- (1) The Commissioners may remit or repay any surcharge under section 7 of the Sugar Act 1956 if they are satisfied that the sugar in respect of which it is payable or has been paid will be, or has been, dealt with in either of the following ways, that is to say—
- (a) treated in a manner approved by the Minister so as to render it unsuitable for human consumption ; or
 - (b) used in the manufacture of goods of any description prescribed for the purposes of this paragraph, at the time when the sugar was or is so used, by an order made by the Minister.
- (2) In any case in which the Commissioners have power under subsection (1) of this section to remit or repay a surcharge in respect of any sugar if satisfied that it will be, or has been, dealt with as mentioned in that subsection, they shall have the like power if satisfied that a quantity of sugar corresponding to the sugar in question will be, or has been, dealt with as aforesaid.

- (3) The goods prescribed by the Minister for the purposes of subsection (1)(b) of this section shall be such as it appears to him to be expedient to prescribe for those purposes in the interests of the national economy.
- (4) Any remission or repayment under this section shall be subject to such conditions as the Commissioners may see fit to impose, including, in particular, conditions for securing that relief from surcharge is not obtained more than once (whether under this section or any other enactment) in relation to the same sugar.
- (5) For the purposes of this section—
 - (a) " goods " includes any part or ingredient of any goods and " sugar " includes invert sugar;
 - (b) in determining whether two quantities of sugar correspond with each other, the Commissioners shall have regard to their respective degrees of polarisation or, in the case of invert sugar, to the amount of sweetening matter which they respectively contain.
- (6) This section shall be construed as one with the said Act of 1956; and orders under this section shall be included among the orders to which section 33(2) of that Act (which makes certain orders subject to annulment in pursuance of a resolution of either House of Parliament) applies.

59 Confirmation of social services agreement with Northern Ireland

- (1) Confirmation is hereby given to the agreement set out in Schedule 19 to this Act, being an agreement between the Treasury and the Ministry of Finance for Northern Ireland which amends (as from 28th November 1966, but only if confirmed by Acts of the Parliaments of the United Kingdom and Northern Ireland) an agreement scheduled to the Social Services (Northern Ireland Agreement) Act 1949 and entered into with a view to assimilating the burdens on the Exchequers of the United Kingdom and Northern Ireland in respect of certain social and allied services.
- (2) There shall be charged on and paid out of the Consolidated Fund of the United Kingdom any additional sums which, by virtue of the agreement hereby confirmed, are payable under the agreement thereby amended from the Exchequer of the United Kingdom to the Exchequer of Northern Ireland.
- (3) This section shall not come into operation unless and until Her Majesty by Order in Council declares that a corresponding provision has been enacted by the Parliament of Northern Ireland.

60 Provisional collection of taxes

In section 1(4) of the Provisional Collection of Taxes Act 1968 (circumstances in which a resolution ceases to have statutory effect) paragraph (b) (under which a resolution continues in force if a Bill is amended by the House so as to implement the resolution within twenty-five sitting days from the passing of the resolution) shall have effect as if after the words ' is amended by the House ' there were added the words ' in Committee or on Report, or by any Standing Committee of the House '.

61 Citation, interpretation, construction and extent

- (1) This Act may be cited as the Finance Act 1968.

Status: This is the original version (as it was originally enacted).

- (2) In this Act, except where the context otherwise requires, " the Board " means the Commissioners of Inland Revenue.
- (3) Part I of this Act (except sections 5, 8 and 9) shall be construed as one with the Customs and Excise Act 1952.
- (4) Part II of this Act, so far as it relates to income tax, shall be construed as one with the Income Tax Acts and, so far as it relates to corporation tax shall be construed as one with the Corporation Tax Acts.
- (5) Parts II and III of this Act so far as they relate to chargeable gains shall be construed as one with Part III of the Finance Act 1965.
- (6) Part III of this Act so far as it relates to estate duty shall be construed as one with the Finance Act 1894.
- (7) This Act, so far as it relates to the Sugar Act 1956, shall extend to the Isle of Man.
- (8) Any reference in this Act to any other enactment shall, except so far as the context otherwise requires, be construed as a reference to that enactment as amended or applied by or under any other enactment, including this Act.
- (9) Except as otherwise expressly provided, such of the provisions of this Act as relate to matters in respect of which the Parliament of Northern Ireland has power to make laws shall not extend to Northern Ireland.
- (10) The enactments mentioned in Schedule 20 to this Act are hereby repealed to the extent mentioned in the third column of that Schedule, but subject to any provision in relation thereto made at the end of any Part of that Schedule.