SCHEDULES

SCHEDULE 7

TRANSITIONAL PROVISIONS

PART I

MODIFICATIONS OF THIS ACT RELATING TO THE SYSTEM OF VEHICLE LICENSING AND REGISTRATION ETC.

Excise duty on, and licensing of, mechanically propelled vehicles

Section 2(1) shall have effect as if—

1

- (a) there were inserted at the beginning the words " Subject to the provisions of section 2A of this Act ";
- (b) in paragraph (a) and in paragraph (b) there were added at the end the words " running from the beginning of the month in which the licence first has effect ";
- (c) there were inserted after paragraph (a) the following paragraph— "(aa) in the case of any vehicle, for one calendar year;";
 - the words following paragraph (c) were omitted.
- 2 Section 2 shall have effect as if subsections (2) and (3) were omitted.
- 3 Section 2(4) shall have effect as if—

(d)

- (a) there were inserted at the beginning the words " Subject to the provisions of section 2A of this Act ";
- (b) in paragraph (a) for the words " a period of twelve months " there were substituted the words " one calendar year or any other period of twelve months " .
- 4 Section 2 shall have effect as if subsections (5) and (6) were omitted.
- 5 After section 2 there shall be inserted the following section—

"2A Power to modify duration of licences and rates of duty.

- Subject to the following provisions of this section, the Secretary of State may by order provide that vehicle licences (other than licences for one calendar year) may be taken out for such periods as may be specified in the order, being—
 - (a) periods of a fixed number of months (not exceeding fifteen) running from the beginning of the month in which the licence first has effect; or

- (b) in the case of vehicles of such description, or of such description and used in such circumstances, as may be so specified, periods of less than a month.
- (2) A licence for any period specified in an order under this section shall be taken out on payment of duty at such rate as may be so specified:

Provided that—

- (a) the rate of duty on any licence taken out for a vehicle for a period other than one of twelve months shall be such as to bear to the annual rate of duty applicable to that vehicle no less proportion than the period for which the licence is taken out bears to a year; and
- (b) the rate of duty on any licence taken out for a vehicle for a period of three months or for a period of four months shall not exceed for each month of the period ten per cent, of the annual rate of duty applicable to the vehicle.
- (3) Any order made by the Secretary of State under this section may be made so as to apply only to vehicles of specified descriptions and may make different provision for vehicles of different descriptions or for different circumstances.
- (4) The power to make orders under this section shall be exercisable by statutory instrument and shall include power to vary or revoke any such order and to amend or repeal the following provisions of section 2 of this Act, that is to say, in subsection (1), paragraphs (a), (6) and (c) and, in subsection (4), paragraphs (b) and (c) and so much of the remainder of the subsection as relates to those two paragraphs.".