



Finance Act 1988

1988 CHAPTER 39

PART I

CUSTOMS AND EXCISE

Duties of excise: rates

1 Beer, wine, made-wine and cider

- (1) In section 36 of the Alcoholic Liquor Duties Act 1979 (excise duty on beer)—
 - (a) for “£25.80” and “£0.86” there shall be substituted “£27.00” and “£0.90” respectively; and
 - (b) for the words from “at the rate” onwards there shall be substituted the words “at the rate of £0.90 per hectolitre for every degree by which the original gravity of the beer exceeds 1000 degrees”.
- (2) In sections 42(6) and 43(4) of that Act (rates of drawback), the words “but as respects” onwards shall cease to have effect.
- (3) For the Table of rates of duty in Schedule 1 to that Act (wine and made-wine) there shall be substituted the Table in Part I of Schedule 1 to this Act.
- (4) In section 62(1) of that Act (excise duty on cider) for “£15.80” there shall be substituted “£17.33”.
- (5) That Act shall have effect subject to the amendments set out in Part II of Schedule 1 to this Act (which relate to beverages of an alcoholic strength not exceeding 5.5 per cent.).
- (6) In this section—
 - (a) subsections (1)(a), (3) and (4) (with Part I of Schedule 1 to this Act) shall be deemed to have come into force at 6 o'clock in the evening of 15th March 1988;
 - (b) subsections (1)(b) and (2) shall come into force on 1st October 1988; and

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- (c) subsection (5) (with Part II of Schedule 1 to this Act) shall come into force on such day as the Commissioners may by order made by statutory instrument appoint;
and different days may be appointed under paragraph (c) above for different provisions or different purposes.

2 Tobacco products

- (1) For the Table in Schedule 1 to the Tobacco Products Duty Act 1979 there shall be substituted—

“TABLE

1. Cigarettes	An amount equal to 21 per cent. of the retail price plus £31.74 per thousand cigarettes.
2. Cigars	£48.79 per kilogram.
3. Hand-rolling tobacco	£51.48 per kilogram.
4. Other smoking tobacco and chewing tobacco	£24.95 per kilogram.”

- (2) This section shall be deemed to have come into force on 18th March 1988.

3 Hydrocarbon oil

- (1) In section 6(1) of the Hydrocarbon Oil Duties Act 1979, for “£0.1938” (light oil) and “£0.1639” (heavy oil) there shall be substituted “£0.2044” and “£0.1729” respectively.
- (2) In section 13A of that Act (rebate on unleaded petrol), for “£0.0096” there shall be substituted “£0.0202”.
- (3) This section shall be deemed to have come into force at 6 o'clock in the evening of 15th March 1988.

4 Vehicles excise duty

- (1) The Vehicles (Excise) Act 1971 (“the 1971 Act”) and the Vehicles (Excise) Act (Northern Ireland) 1972 (“the 1972 Act”) shall be amended as follows.
- (2) In Part I of Schedule 1 to each Act (annual rates of duty on motor bicycles etc.), in paragraph 2 (concession for certain bicycles first licensed before 1933 or, in Northern Ireland, 1935)—
- in sub-paragraph (a), for the words “for which a licence was taken out before the beginning of the year” there shall be substituted the words “constructed before”; and
 - in sub-paragraph (b), for the words “224 pounds” there shall be substituted the words “101.6 kilograms”.
- (3) In Part I of Schedule 3 to each Act (annual rates of duty on tractors etc.)—
- in paragraph 6 (definition of “haulage vehicle”), after the words “foregoing paragraphs” there shall be inserted the words “or paragraph 8 below”;

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- (b) at the end of sub-paragraph (2) of paragraph 8 (recovery vehicles) there shall be added “and
 - (e) any purpose prescribed for the purposes of this sub-paragraph”;
 - (c) in sub-paragraph (3) of that paragraph, in paragraph (c), for the word “paragraph” there shall be substituted the word “sub-paragraph”;
 - (d) after that sub-paragraph there shall be inserted—
 - “(4) A vehicle which is constructed or permanently adapted as mentioned in sub-paragraph (1) above shall not be a recovery vehicle if at any time the number of vehicles which it is used to recover exceeds a number specified by an order of the Secretary of State made for the purposes of this sub-paragraph.
 - (5) The power to make an order under sub-paragraph (4) above shall be exercisable by statutory instrument; but no such order shall be made unless a draft of it has been laid before and approved by a resolution of each House of Parliament.”
- (4) In Part II of Schedule 4 to the 1971 Act (annual rates of duty on goods vehicles), for Tables A, A(1) and A(2) (rates for rigid goods vehicles having plated gross weight exceeding 12 tonnes) there shall be substituted the Tables set out in Part I of Schedule 2 to this Act.
- (5) The Tables set out in Part I of Schedule 2 to this Act shall also be substituted for Tables A, A(1) and A(2) in Part II of Schedule 4 to the 1972 Act, but modified for that purpose by the substitution for any reference to a plated gross weight of a reference to a relevant maximum weight.
- (6) In Part II of Schedule 5 to each Act (annual rates of duty on motor cars etc.), in column 1, for paragraph 1 (vehicles first registered before 1947) there shall be substituted—
“1 Vehicles constructed before 1947.”
- (7) The amendments of the 1971 and 1972 Acts set out in Part II of Schedule 2 to this Act shall have effect for the purpose of, and in connection with, establishing vehicles carrying or drawing exceptional loads as a class of vehicles chargeable with a specific duty of excise.
- (8) Section 2(1)(c) of the 1971 Act and section 2(1)(c) and (d) of the 1972 Act (seven day licences) shall cease to have effect.
- (9) Subsections (2) and (4) to (6) above shall have effect in relation to licences taken out after 15th March 1988; and subsections (7) and (8) above shall be deemed to have come into force on 1st June 1988.