Finance Act 1993

1993 CHAPTER 34

PART I

CUSTOMS AND EXCISE AND VALUE ADDED TAX

CHAPTER I

GENERAL

Alcoholic liquor duties

1 Rates of duty.

(1) In section 36 of the [M1]Alcoholic Liquor Duties Act 1979 (beer), as that section has effect apart from section 7(1) of the [M2]Finance Act 1991, for "£1.108" there shall be substituted " £1.163 ".

(2) For the Table of rates of duty in Schedule 1 to that Act (wine and made-wine) there shall be substituted the Table in Schedule 1 to this Act.

(3) In section 62(1) of that Act (cider) for "£21.32" there shall be substituted " £22.39 ".

(4) This section shall be deemed to have come into force at 6 o'clock in the evening of 16th March 1993.

Commencement Information

I1 S. 1 in force at 6 p.m. on 16.3.1993 see s. 1(4)

Marginal Citations

M1 1979 c. 4.

M2 1991 c. 31.

Status: *Point in time view as at 27/07/1993. This version of this part contains provisions that are not valid for this point in time.*
Changes to legislation: *There are currently no known outstanding effects for the Finance Act 1993, Part I. (See end of Document for details)*

2 Beer duty: rate for new regime.

(1) In section 36(1) of the [M3]Alcoholic Liquor Duties Act 1979 (beer duty), as substituted by section 7(1) of the [M4]Finance Act 1991, for "£10.60" there shall be substituted " £10.45 ".

(2) This section shall be deemed to have come into force on 1st June 1993.

Commencement Information

I2 S. 2 in force at 1.6.1993 see S. 2(2)

Marginal Citations

M3 1979 c. 4.

M4 1991 c. 31.

3 Low strength beer.

(1) In section 1 of the Alcoholic Liquor Duties Act 1979 (alcoholic liquors dutiable under that Act) in subsection (3) (beer) for "1.2 per cent." there shall be substituted " 0.5 per cent. ".

(2) In section 36 of that Act (beer duty), as substituted by section 7(1) of the Finance Act 1991, after subsection (1) there shall be inserted the following subsection—

"(1A) No duty shall be chargeable under subsection (1) above on beer which is of a strength of 1.2 per cent. or less; but any such beer shall in all other respects be treated as if it were chargeable with a duty of excise."

(3) This section shall apply in relation to liquor which is produced in or imported into the United Kingdom, or removed into the United Kingdom from the Isle of Man, on or after the day on which this Act is passed.

4 Beer duty: abolition of certain reliefs, etc.

(1) The Alcoholic Liquor Duties Act 1979 shall be amended as follows.

(2) In subsection (2) of section 42 (drawback on exportation etc. of beer)—

(a) paragraph (a) (drawback on removal to excise warehouse) shall be omitted,

(b) in paragraph (b) the words "or removal to the Isle of Man" shall be omitted,

(c) also in paragraph (b) for "any such beer" there shall be substituted " any beer to which this section applies ", and

(d) for "exported, removed or shipped" there shall be substituted " exported or shipped ".

(3) In subsections (3) and (4) of that section the word "remove,", in each place where it occurs, shall be omitted.

(4) Section 43 (warehousing of beer for exportation, etc.) shall cease to have effect.

(5) In section 45(1) (repayment of duty on beer used in the production or manufacture of other beverages etc.)—

(a) at the end of paragraph (a) there shall be inserted " or ", and

(b) paragraph (b) shall be omitted.

(6) Section 51 (power to require production of books by brewers for sale) shall cease to have effect.

(7) Subsections (2)(a) and (c) and (4) to (6) above shall come into force on 1st September 1993.

(8) Subsections (2)(b) and (d) and (3) above shall come into force on such day as the Commissioners of Customs and Excise may by order made by statutory instrument appoint.

Commencement Information

I3 S. 4 wholly in force at 1.1.1995; s. 4(1)(7)(8) in force at Royal Assent; s. 4(2)(a)(c)(4)-(6) in force at 1.9.1993 see s. 4(7); s. 4(2)(b)(d)(3) in force at 1.1.1995 by S.I. 1994/2968, **art. 2**

5 Blending of alcoholic liquors.

(1) In Part VI of the [M5]Alcoholic Liquor Duties Act 1979 the following section shall be inserted before section 67—

"66A Blending of alcoholic liquors.

(1) Subject to subsections (4) to (6) below, a person shall not blend two or more alcoholic liquors—

(a) each of which is of a kind mentioned in paragraphs (a) to (e) of section 1(1) above, but

(b) not all of which fall within the same one of those paragraphs,

except in an excise warehouse or on premises which, in relation to the liquors blended, are for the time being permitted premises.

(2) Subject to subsections (4) to (6) below, a person shall not blend two or more alcoholic liquors which—

(a) fall within the same paragraph of section 1(1) above, but

(b) are not all of the same alcoholic strength,

except in an excise warehouse or on premises which, in relation to the liquors blended, are for the time being permitted premises.

(3) In relation to the blending of particular alcoholic liquors—

(a) if the liquor which is the product of the blending is beer, permitted premises are premises which are registered under section 41A above and premises in respect of which a person is registered under section 47 above;

(b) if the liquor which is the product of the blending is wine, permitted premises are premises in respect of which a licence under section 54(2) above is held;

(c) if the liquor which is the product of the blending is made-wine, permitted premises are premises in respect of which a licence under section 55(2) above is held;

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Changes to legislation: *There are currently no known outstanding effects for the Finance Act 1993, Part I. (See end of Document for details)*

(d) if the liquor which is the product of the blending is cider, permitted premises are premises in respect of which a person is registered under section 62 above.

(4) Subsections (1) and (2) above do not apply unless the blending is done with a view to offering for sale the liquor which is the product of the blending.

(5) Subsections (1) and (2) above do not apply where the liquor which is the product of the blending is intended for consumption on the premises on which the blending takes place.

(6) The Commissioners may direct that subsections (1) and (2) above shall not apply to the blending of alcoholic liquors in such circumstances as are specified in the direction.

(7) Where a person contravenes subsection (1) or (2) above, the following shall be liable to forfeiture—

(a) the liquor which is the product of the blending;

(b) all such vessels, utensils and materials for the blending of alcoholic liquors as are found in his possession.

(8) In this section any reference to blending liquors includes a reference to otherwise mixing them."

(2) In subsection (5) of section 55 of that Act (exemption for certain producers of made-wine from requirement to hold excise licence) before paragraph (a) there shall be inserted the following paragraph—

"(aa) he does not blend or otherwise mix two or more alcoholic liquors to which paragraphs (a) and (b) of section 66A(1) below or paragraphs (a) and (b) of section 66A(2) below apply;".

(3) In that section—

(a) paragraph (e) of subsection (5) and the word "and" immediately preceding that paragraph shall be omitted, and

(b) subsection (5A) shall be omitted.

(4) This section shall apply in relation to the blending or other mixing of alcoholic liquors on or after the day on which this Act is passed.

Marginal Citations

M5 1979 c. 4.

6 Mixing of wine and spirits in excise warehouse.

(1) In subsection (1) of section 58 of the [M6]Alcoholic Liquor Duties Act 1979 (mixing of wine and spirits in excise warehouse)—

(a) for "6 litres" there shall be substituted " 12 litres ",

(b) for "except as provided by subsection (2) below" there shall be substituted " by virtue of this section ", and

(c) for "23 per cent." there shall be substituted " 22 per cent. ".

(2) Subsection (2) of that section shall be omitted.

(3) This section shall apply in relation to mixing done on or after the day on which this Act is passed.

Marginal Citations

M6 1979 c. 4.

7 Sparkling wine or made-wine.

(1) In Schedule 1 to the Alcoholic Liquor Duties Act 1979 (rates of duty on wine and made-wine), for paragraphs 1 and 2 there shall be substituted the following paragraphs—

"1 Paragraphs 2 and 3 below apply for the purposes of this Act.

2 (1) Wine or made-wine which is for the time being in a closed container is sparkling if, due to the presence of carbon dioxide or any other gas, the pressure in the container, measured at a temperature of 20°C, is not less than 3 bars in excess of atmospheric pressure.

(2) Wine or made-wine which is for the time being in a closed container is sparkling regardless of the pressure in the container if the container has a mushroom-shaped stopper (whether solid or hollow) held in place by a tie or fastening.

(3) Wine or made-wine which is not for the time being in a closed container is sparkling if it has characteristics similar to those of wine or made-wine which has been removed from a closed container and which, before removal, fell within sub-paragraph (1) above.

3 (1) Wine or made-wine shall be regarded as having been rendered sparkling if, as a result of aeration, fermentation or any other process, it either falls within paragraph 2(1) above or takes on such characteristics as are referred to in paragraph 2(3) above.

(2) Wine or made-wine which has not previously been rendered sparkling by virtue of sub-paragraph (1) above shall be regarded as having been rendered sparkling if it is transferred into a closed container which has a mushroom-shaped stopper (whether solid or hollow) held in place by a tie or fastening.

(3) Wine or made-wine which is in a closed container and has not previously been rendered sparkling by virtue of sub-paragraph (1) or (2) above shall be regarded as having been rendered sparkling if the stopper of its container is exchanged for a stopper of a kind mentioned in sub-paragraph (2) above."

(2) This section shall apply in relation to wine and made-wine which is produced in or imported into the United Kingdom, or removed into the United Kingdom from the Isle of Man, on or after the day on which this Act is passed.

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8 Denatured alcohol.

(1) Denatured alcohol of such a description as may be specified in regulations made by the Commissioners of Customs and Excise shall not, if it would otherwise be so charged, be charged with any duty of excise under section 5 of the [M7]Alcoholic Liquor Duties Act 1979 (charge on spirits) on its importation into the United Kingdom from another member State.

(2) The following references, namely—

(a) the references in sections 75, 77, 79 and 80 of that Act (regulation of methylated spirits) to methylated spirits;

(b) the reference in section 77(1)(e) of that Act to spirits for methylation; and

(c) the references in section 78 of that Act to methylated spirits or spirits (other than in the expression "duty payable on spirits"),

shall each be construed as including a reference to denatured alcohol of any description from time to time specified in regulations made for the purposes of subsection (1) above.

(3) In this section "denatured alcohol" means any substance appearing to the Commissioners of Customs and Excise to fall within Article 27.1.(a) of the Directive of the Council of the European Communities dated 19th October 1992 No.92/83/EEC (directive on the harmonisation of the structures of excise duties on alcohol and alcoholic beverages).

(4) Any description of denatured alcohol specified in regulations under this section may be framed by reference to such circumstances or other factors, or to the approval or opinion of such persons (including the authorities in any member State), as may be so specified.

(5) The power of the Commissioners of Customs and Excise to make regulations under this section shall be exercisable by statutory instrument subject to annulment in pursuance of a resolution of the House of Commons; and any such regulations may contain such transitional, supplemental and incidental provision as those Commissioners think fit.

Marginal Citations

M7 1979 c. 4.

Hydrocarbon oil duties

9 Rates of duty.

(1) In section 6(1) of the [M8]Hydrocarbon Oil Duties Act 1979 for "£0.2779" (duty on light oil) and "£0.2285" (duty on heavy oil) there shall be substituted " £0.3058 " and " £0.2514 " respectively.

(2) In section 11(1) of that Act (rebate on heavy oil) for "£0.0095" (fuel oil) and "£0.0135" (gas oil) there shall be substituted " £0.0105 " and " £0.0149 " respectively.

(3) In section 13A(1) of that Act (rebate on unleaded petrol) for "£0.0437" there shall be substituted " £0.0482 ".

(4) In section 14(1) of that Act (rebate on light oil for use as furnace fuel) for "£0.0095" there shall be substituted " £0.0105 ".

(5) This section shall be deemed to have come into force at 6 o'clock in the evening of 16th March 1993.

Commencement Information

I4 S. 9 in force at 6 p.m. on 16.3.1993: see s. 9(5)

Marginal Citations

M8 1979 c. 5.

10 Mineral oil fuel substitutes.

(1) The Hydrocarbon Oil Duties Act 1979 ("the 1979 Act") shall have effect in relation to such cases as may be specified in an order made by the Treasury as if references in that Act to hydrocarbon oil or to road fuel gas included references to any mineral oil which is designated by that order as a substance which is to be treated for the purposes of that Act as the equivalent of hydrocarbon oil or, as the case may be, of road fuel gas.

(2) The Treasury may by order provide, in relation to any substance which by virtue of this section is to be treated for the purposes of the 1979 Act as the equivalent of hydrocarbon oil, for that substance to be treated for the purposes of such of the provisions of that Act as may be specified in the order as if it fell within the description of such one or more of the following as may be so specified, that is to say—

(a) heavy oil or light oil, as defined in section 1 of that Act;

(b) aviation gasoline, as defined in section 6(4) of that Act;

(c) fuel oil or gas oil, as defined in section 11(2) of that Act; and

(d) unleaded petrol, as defined in section 13A(2) of that Act.

(3) In exercising their powers under this section, the Treasury shall so far as practicable secure that a mineral oil which is intended for, or capable of being put to, a particular use is treated for the purposes of the 1979 Act as if it were the substance falling within the descriptions specified in subsection (2) above to which, when put to that use, it is most closely equivalent.

(4) In this section "mineral oil" means any substance which—

(a) falls within the definition of mineral oil in Article 2.1 of the Directive of the Council of the European Communities dated 19th October 1992 No. 92/81/EEC (directive on the harmonisation of the structures of excise duties on mineral oils), as amended by the Directive of the Council dated 14th December 1992 No. 92/108/EEC; and

(b) is not, apart from this section, hydrocarbon oil or road fuel gas within the meaning of the 1979 Act.

(5) The power of the Treasury to make an order under this section shall be exercisable by statutory instrument subject to annulment in pursuance of a resolution of the House of Commons; and any such order may make different provision for different cases and different substances.

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Changes to legislation: *There are currently no known outstanding effects for the Finance Act 1993, Part I. (See end of Document for details)*

(6) No duty of excise shall be charged by virtue of section 7 of the 1979 Act (duty on petrol substitutes and power methylated spirits) on any substance on which duty is charged under that Act by virtue of an order under this section.

VALID FROM 01/12/1995

11 Other fuel substitutes.

(1) After section 6 of the [M9]Hydrocarbon Oil Duties Act 1979 there shall be inserted the following section—

"**6A Fuel substitutes.**

(1) A duty of excise shall be charged on the setting aside for a chargeable use by any person, or (where it has not already been charged under this section) on the chargeable use by any person, of any liquid which is not hydrocarbon oil.

(2) In this section "chargeable use" in relation to any substance means the use of that substance—
  (a) as fuel for any engine, motor or other machinery; or
  (b) as an additive or extender in—
    (i) any substance on which duty is charged by virtue of paragraph (a) above; or
    (ii) any hydrocarbon oil which is or is to be used as mentioned in that paragraph.

(3) The rate of the duty under this section shall be prescribed by order made by the Treasury.

(4) In the following provisions of this Act references to hydrocarbon oil shall be construed as including references to any substance on which duty is charged under this section; and, accordingly, references to duty on hydrocarbon oil shall be construed, where a substance is to be treated as such oil, as including references to duty under this section.

(5) The Treasury may by order provide for any substance on which duty is charged under this section to be treated for the purposes of such of the following provisions of this Act as may be specified in the order as if it fell within the description of such one or more of the following as may be so specified, that is to say—
  (a) heavy oil or light oil;
  (b) aviation gasoline;
  (c) fuel oil or gas oil, as defined in section 11(2) below; and
  (d) unleaded petrol, as defined in section 13A(2) below.

(6) In exercising their powers under this section, the Treasury shall so far as practicable secure—
  (a) that a substance set aside for use or used as mentioned in subsection (2)(a) above is—
    (i) charged with duty at the same rate as, and

(ii) otherwise treated for the purposes of the following provisions of this Act as if it were,

the substance falling within the descriptions specified in subsection (5) above to which, when put to that use, it is most closely equivalent; and

(b) that a substance set aside for use or used as an additive or extender in any substance is—

(i) charged with duty at the same rate as, and

(ii) otherwise treated for the purposes of the following provisions of this Act as if it were,

the substance in which it is an additive or extender.

(7) For the purposes of this section "liquid" does not include any substance which is gaseous at a temperature of 15°C and under a pressure of 1013.25 millibars.

(8) The power of the Treasury to make an order under this section shall be exercisable by statutory instrument subject to annulment in pursuance of a resolution of the House of Commons.

(9) An order under this section—

(a) may make different provision for different cases and for different substances;

(b) may prescribe the rate of duty under this section in respect of any substance by reference to the rate of duty under this Act in respect of any other substance; and

(c) in making different provision for different substances, may define a substance by reference to the use for which it is set aside or the use to which it is put."

(2) Sections 4, 7 and 16 of that Act (petrol substitutes and power methylated spirits) shall cease to have effect.

(3) In section 22(1) of that Act (offence of using petrol substitutes on which duty has not been paid), for the words from the beginning to the word "shall", in the first place where it occurs, there shall be substituted—

"A person who—

(a) puts to a chargeable use (within the meaning of section 6A above) any liquid which is not hydrocarbon oil; and

(b) knows or has reasonable cause to believe that there is duty charged under section 6A above on that liquid which has not been paid and is not lawfully deferred,

shall ".

(4) In section 1(1)(b) of the [M10]Excise Duties (Surcharges or Rebates) Act 1979 (surcharges or rebates in respect of excise duties on hydrocarbon oil etc.), for paragraph (b) there shall be substituted the following paragraph—

"(b) those chargeable by virtue of the Hydrocarbon Oil Duties Act 1979;".

Status: *Point in time view as at 27/07/1993. This version of this part contains provisions that are not valid for this point in time.*
Changes to legislation: *There are currently no known outstanding effects for the Finance Act 1993, Part I. (See end of Document for details)*

(5) This section shall come into force on such day as the Treasury may by order made by statutory instrument appoint, and different days may be appointed under this subsection for different provisions and for different purposes.

Marginal Citations

M9 1979 c. 5.

M10 1979 c. 8.

VALID FROM 13/09/1993

12 Measurement of volume.

(1) In ascertaining for the purposes of the [M11]Hydrocarbon Oil Duties Act 1979—

(a) the amount of any duty of excise chargeable on any liquid by virtue of that Act; or

(b) the amount of any rebate allowable on any such liquid by virtue of that Act,

the volume of that liquid shall be taken (if it would not otherwise be so taken) to be what would be its volume, calculated in accordance with regulations under subsection (2) below, at a temperature of 15°C.

(2) The Commissioners of Customs and Excise may by regulations make such provision as they think fit as to the method by which, in ascertaining any amount mentioned in subsection (1) above—

(a) the volume of any liquid is to be measured; or

(b) the volume as at a temperature of 15°C of any amount of a liquid is to be determined;

and that provision may include provision made by reference to any internationally recognised conversion tables.

(3) Any reference in sections 15 and 17 to 19A of that Act (drawback and relief) to the amount of any duty of excise which has been paid in respect of any substance, or to the amount of any rebate that has been allowed in respect of any substance, shall be construed as a reference—

(a) to such amount as is shown to the satisfaction of the Commissioners of Customs and Excise to have been paid or, as the case may be, allowed in respect of that substance; or

(b) where regulations made by those Commissioners so provide, to such amount as is calculated on such assumptions as to the volume of the substance in question as may be determined in accordance with any such regulations.

(4) The power of the Commissioners of Customs and Excise to make regulations under this section shall be exercisable by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament; and any such regulations—

(a) may make different provision for different cases and for different substances; and

(b) may contain such transitional, supplemental and incidental provision as those Commissioners think fit.

(5) Provision made under this section by any regulations may provide for any determination or measurement under the regulations to be made, or any description of a case or substance to be framed, by reference to such circumstances or other factors, or to the opinion of such persons, as the Commissioners think fit.

(6) For the purposes of this section "liquid" does not include any substance which is gaseous at a temperature of 15°C and under a pressure of 1013.25 millibars.

(7) In consequence of this section—

(a) section 2(5) of that Act (measurement of heavy oil having a temperature exceeding 15°C) shall cease to have effect; and

(b) the words "shown to the satisfaction of the Commissioners to have been" in section 15(1) of that Act (drawback) shall be omitted.

(8) This section shall come into force on such day as the Commissioners of Customs and Excise may by order made by statutory instrument appoint, and different days may be appointed under this subsection for different provisions and for different purposes.

Subordinate Legislation Made

P1 S. 12(8) power partly exercised (9.9.1993): different dates appointed for specific provisions by S.I. 1993/2215.

Commencement Information

I5 S. 12 wholly in force; s. 12 not in force at Royal Assent, s. 12(2)(4)(5)(6)(8) in force at 13.9.1993, s. 12 in force at 15.10.1993 insofar as not already in force see s. 12(8) and S.I. 1993/2215, **arts. 2**,3

Marginal Citations

M11 1979 c. 5.

Tobacco products duty

13 Rates of duty.

(1) For the Table in Schedule 1 to the [M12]Tobacco Products Duty Act 1979 there shall be substituted—

" TABLE

1. Cigarettes	An amount equal to 20 per cent. of the retail price plus £48.75 per thousand cigarettes.
2. Cigars	£72.30 per kilogram.
3. Hand-rolling tobacco	£76.29 per kilogram.
4. Other smoking tobacco and chewing tobacco	£31.93 per kilogram."

(2) This section shall be deemed to have come into force at 6 o'clock in the evening of 16th March 1993.

Status: *Point in time view as at 27/07/1993. This version of this part contains provisions that are not valid for this point in time.*
Changes to legislation: *There are currently no known outstanding effects for the Finance Act 1993, Part I. (See end of Document for details)*

Commencement Information

I6 S. 13 in force at 6 p.m. on 16.3.1993: see s. 13(2)

Marginal Citations

M12 1979 c. 7.

14 Hand-rolling tobacco.

(1) In the Tobacco Products Duty Act 1979, section 1 (definition of tobacco products) shall be amended as follows.

(2) In subsection (2) (definition of hand-rolling tobacco) after paragraph (a) there shall be inserted—

"(aa) which is of a kind used for making into cigarettes; or".

(3) In paragraph (b) of subsection (2) (more than 25 per cent. by weight of the tobacco particles have a width of less than 0.6 mm) for "0.6" there shall be substituted " 1 ".

(4) The following subsection shall be inserted after subsection (2)—

"(2A) For the purposes of subsection (2)(aa) above the use for making into cigarettes must amount to more than occasional use but need not amount to common use."

(5) In subsection (3) (power to amend definitions) after "(2)" there shall be inserted " or (2A) ".

Gaming machine licence duty

15 Rates of duty.

(1) The Tables set out in section 23(1) of the [M13]Betting and Gaming Duties Act 1981 shall be amended as follows—

(a) in Table A for "£375" there shall be substituted " £450 ";

(b) in Table B for "£375" there shall be substituted " £450 " and for "£960" there shall be substituted " £1,150 ".

(2) This section shall apply in relation to licences for any period beginning on or after 1st May 1993.

Marginal Citations

M13 1981 c. 63.

16 Small-prize machines.

(1) The Betting and Gaming Duties Act 1981 shall be amended as follows.

(2) In section 21 (gaming machine licences) in subsection (1) (licence required for machine other than a two-penny machine) for "a two-penny machine" there shall be substituted " an excepted machine ".

(3) In that section the following subsection shall be inserted after subsection (3)—

"(3A) For the purposes of this section an excepted machine is—

(a) a two-penny machine, or

(b) a five-penny machine which is a small-prize machine."

(4) In section 22 (charge to duty)—

(a) in subsection (1) for the words from "by reference" to the end of the subsection there shall be substituted " in accordance with section 23 below ";

(b) in subsection (5) after "gaming machine licence" there shall be inserted " falling within section 23(1B) below ".

(5) In section 23 (amount of duty) the following subsections shall be substituted for subsection (1) (as amended by section 15 above)—

"(1) The duty on a whole-year gaming machine licence shall be determined as mentioned in subsection (1A) or (1B) below (as the case may be).

(1A) In the case of a special licence, or an ordinary licence which authorises the provision only of small-prize machines, the duty shall be £450 per machine authorised by the licence.

(1B) In any other case the duty shall be determined in accordance with the following Table, by reference to the number of machines which the licence authorises and to whether the licence authorises the provision of machines chargeable at the lower or higher rate—

TABLE

Description of machines authorised by the licence	***Duty on whole-year licence***
Chargeable at the lower rate	£450 per machine
Chargeable at the higher rate	£1,150 per machine."

(6) For subsection (4) of section 25 (meaning of "gaming machine") there shall be substituted the following subsections—

"(4) Subject to subsection (5) below, for the purposes of determining whether a machine is a gaming machine it is immaterial whether it is capable of being played by only one person at a time, or is capable of being played by more than one person.

(5) For the purposes of sections 21 to 24 above a machine (the actual machine) which two or more persons can play simultaneously (whether or not participating with one another in the same game) shall, instead of being treated as one machine, be treated as if it were a number of machines (accountable machines) equal to the number of persons who can play the actual machine simultaneously.

(6) Subsection (5) above does not apply to a machine which is a two-penny machine, or is both a small-prize machine and a five-penny machine.

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(7) If the actual machine is a small-prize machine but not a five-penny machine, the accountable machines shall be taken to be small-prize machines which are not five-penny machines.

(8) If the actual machine is not a small-prize machine, the accountable machines shall be taken not to be small-prize machines, and in such a case—

(a) if the actual machine is a five-penny machine, the accountable machines shall be taken to be five-penny machines;

(b) if the actual machine is not a five-penny machine, the accountable machines shall be taken not to be five-penny machines.

(9) For the purposes of subsection (5) above the number of persons who can play a particular machine simultaneously shall be determined by reference to the number of individual playing positions provided on the machine."

(7) In section 26(2) (interpretation) the following definition shall be inserted after the definition of "two-penny machine"—

""five-penny machine" means a gaming machine which can only be played by the insertion into the machine of a coin or coins of a denomination, or aggregate denomination, not exceeding 5p;".

(8) In Schedule 4 (gaming machine licence duty: supplementary provisions) for paragraph 13 there shall be substituted the following paragraph—

"13 (1) Regulations may make provision with respect to the labelling or marking of—

(a) gaming machines provided on any premises in respect of which an ordinary licence is in force, and

(b) gaming machines in respect of which special licences are in force,

with a view to enabling any such machine to be identified as falling within one of the categories mentioned in sub-paragraph (2) below.

(2) The categories referred to in sub-paragraph (1) above are—

(a) two-penny machines;

(b) machines which are both small-prize machines and five-penny machines;

(c) machines which are small-prize machines but not five-penny machines;

(d) machines which are not small-prize machines but are five-penny machines;

(e) machines which are not small-prize machines and are not five-penny machines.

(3) The regulations may include provision as to the size and description of labels or marks to be applied to machines, as to the cases in which they are required to be, or are prohibited from being, applied and as to the manner of the application."

(9) This section shall apply in relation to licences for any period beginning on or after 1st November 1993.

Status: *Point in time view as at 27/07/1993. This version of this part contains provisions that are not valid for this point in time.*
Changes to legislation: *There are currently no known outstanding effects for the Finance Act 1993, Part I. (See end of Document for details)*

Vehicles excise duty

17 Rates of duty: general.

(1) The [M14]Vehicles (Excise) Act 1971 shall be amended as follows.

(2) In Schedule 1 (annual rate of duty on certain vehicles not exceeding 450 kilograms in weight unladen) in the Table set out in Part II—

(a) in the second column of paragraph 2 (bicycles exceeding 150 cc but not exceeding 250 cc) for "30.00" there shall be substituted " 35.00 ";

(b) in the second column of paragraph 3 (bicycles exceeding 250 cc) for "50.00" there shall be substituted " 55.00 ";

(c) in the second column of paragraph 5 (tricycles exceeding 150 cc) for "50.00" there shall be substituted " 55.00 ".

(3) In Schedule 2 (annual rate of duty on hackney carriages) in the Table set out in Part II—

(a) in the second column of the first entry (hackney carriages with seating capacity under nine) for "110" there shall be substituted " 125 ";

(b) in the second column of the second entry (hackney carriages with seating capacity of nine to sixteen) for "130" there shall be substituted " 150 ".

(4) In Schedule 3 (annual rate of duty on tractors etc.) in the Table set out in Part II—

(a) in the second column of paragraph 1 (special machines) for "30.00" there shall be substituted " 35.00 ";

(b) in the second column of paragraph 2 (showmen's haulage vehicles) for "90.00" there shall be substituted " 100.00 ";

(c) in the second column of paragraph 4 (recovery vehicles) for "75.00" there shall be substituted " 85.00 ".

(5) In Schedule 4 (annual rate of duty on goods vehicles) in paragraph 1(1) of Part I (vehicles chargeable at the basic rate of duty) for "£130" there shall be substituted " £150 ".

(6) In Schedule 4, in paragraph 6 of Part I (farmers' and showmen's goods vehicles)—

(a) in sub-paragraph (1) for "£75" there shall be substituted " £85 ";

(b) in sub-paragraphs (2)(a), (2)(b) and (4) for "£90" (in each place) there shall be substituted " £100 ".

(7) In Schedule 5 (annual rate of duty on vehicles not falling within Schedules 1 to 4) in the Table set out in Part II—

(a) in the second column of paragraph 1 (vehicles constructed before 1947) for "60.00" there shall be substituted " 70.00 ";

(b) in the second column of paragraph 2 (other vehicles) for "110.00" there shall be substituted " 125.00 ".

(8) This section shall apply in relation to licences taken out after 16th March 1993.

Marginal Citations

M14 1971 c. 10.

Status: *Point in time view as at 27/07/1993. This version of this part contains provisions that are not valid for this point in time.*
Changes to legislation: *There are currently no known outstanding effects for the Finance Act 1993, Part I. (See end of Document for details)*

18 Exceptional loads.

(1) The [M15]Vehicles (Excise) Act 1971 shall be amended as follows.

(2) In paragraph 2 of Schedule 4A (annual rates of duty on vehicles used for carrying or drawing exceptional loads) for "£3,250" there shall be substituted—

(a) " £4,250 " in relation to licences taken out after 16th March 1993 and before the appointed day;

(b) " £5,000 " in relation to licences taken out on or after the appointed day.

(3) In this section "the appointed day" means such day as the Secretary of State may appoint by order made by statutory instrument.

Subordinate Legislation Made

P2 S. 18(3) power fully exercised (7.10.1993): 30.11.1993 appointed day by S.I. 1993/2446, **art. 2**.

Marginal Citations

M15 1971 c. 10.

19 Trade licences.

(1) The Vehicles (Excise) Act 1971 shall be amended as follows.

(2) In subsection (5) of section 16 (rates of duty for trade licences) including that subsection as set out in paragraph 12 of Part I of Schedule 7—

(a) for "£100" there shall be substituted " the rate mentioned in subsection (5A) (a) below ", and

(b) for "£20" there shall be substituted " the rate mentioned in subsection (5A) (b) below ".

(3) In that section the following subsection shall be inserted after subsection (5)—

"(5A) The rates referred to in subsection (5) above are—

(a) the annual rate applicable to a vehicle falling within paragraph 2 of Part II of Schedule 5 to this Act in relation to a licence taken out when the trade licence is taken out;

(b) the annual rate applicable to a vehicle falling within paragraph 3 of Part II of Schedule 1 to this Act in relation to a licence taken out when the trade licence is taken out."

(4) This section shall apply in relation to licences taken out after 16th March 1993.

20 Old bicycles.

(1) The [M16]Vehicles (Excise) Act 1971 shall be amended as follows.

(2) In Schedule 1 (annual rate of duty on motor bicycles etc.) for paragraph 2 (concession for certain old bicycles) there shall be substituted—

"2 Where a bicycle the cylinder capacity of whose engine exceeds 150 cubic centimetres is one constructed before 1933 it shall be treated for the

purposes of this Schedule as having an engine of cylinder capacity not exceeding 150 cubic centimetres."

(3) In paragraph 4(a) of that Schedule (substitution of 1935 for 1933 in Northern Ireland) for "2(a)" there shall be substituted " 2 ".

(4) This section shall apply in relation to licences taken out after 16th March 1993.

Marginal Citations

M16 1971 c. 10.

21 Simplification of duty on goods vehicles.

(1) The Secretary of State may by order make such modifications of Schedule 4 to the Vehicles (Excise) Act 1971 (annual rates of duty on goods vehicles) as he thinks fit for the purpose of securing—

(a) that the annual rates of duty applicable in accordance with that Schedule are expressed by reference to fewer tables; and

(b) that the tables which in pursuance of any order under this section are set out in that Schedule have effect in different cases subject to the operation of such multipliers as may be appropriate.

(2) An order under this section—

(a) shall be made by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament; and

(b) may contain such incidental and consequential provision (including provision modifying any enactment) as the Secretary of State thinks fit.

(3) Nothing in this section shall authorise any increase by order of the annual rate of duty chargeable in respect of any vehicle.

Miscellaneous

22 Mutual recovery and disclosure of information.

(1) In subsection (1) of section 17 of the [M17]Finance Act 1980 (extension of mutual recovery provisions to VAT), at the end there shall be inserted " and to excise duties by the Directive of the Council of the European Communities dated 14th December 1992 No. 92/108/EEC. "

(2) In subsection (2)(a) of that section (extension of mutual disclosure provisions to VAT), after "No. 79/1070/EEC" there shall be inserted " and to excise duties by the Directive of the Council of the European Communities dated 25th February 1992 No. 92/12/EEC. "

(3) After subsection (2) of that section there shall be inserted the following subsection—

"(2A) The references in subsections (1) and (2) above to excise duties are references to any duty on mineral oils, on alcohol and alcoholic beverages or on manufactured tobacco."

Status: *Point in time view as at 27/07/1993. This version of this part contains provisions that are not valid for this point in time.*
Changes to legislation: *There are currently no known outstanding effects for the Finance Act 1993, Part I. (See end of Document for details)*

(4) Subsection (1) above shall have effect as respects a request for the recovery of a sum only if it is a sum becoming due on or after the day on which this Act is passed.

Marginal Citations
M17 1980 c. 48.

23 VAT and customs duty on vehicles subject to VED.

(1) Where an application is made for a licence under the [M18]Vehicles (Excise) Act 1971 for a vehicle which—
  (a) appears to the Secretary of State to have been removed into the United Kingdom from a place outside the United Kingdom; and
  (b) is not already registered under that Act,

he may refuse to issue the licence unless subsection (2) below applies to the vehicle.

(2) This subsection applies to a vehicle if the Secretary of State is satisfied in relation to the removal of that vehicle into the United Kingdom—
  (a) that any value added tax charged on the acquisition of that vehicle from another member State, or on any supply involving its removal into the United Kingdom, has been or will be paid or remitted;
  (b) that any value added tax or customs duty charged on the importation of the vehicle from a place outside the member States has been or will be paid or remitted; or
  (c) that no such tax or duty has been charged on the acquisition or importation of the vehicle or on any supply involving its removal into the United Kingdom.

(3) This section shall have effect in relation to any application made on or after the day on which this Act is passed.

Marginal Citations
M18 1971 c.10.

VALID FROM 01/12/1993

CHAPTER II

LOTTERY DUTY

The duty

24 Lottery duty.

(1) Subject to subsections (3) and (4) below, a duty of excise called “lottery duty” is chargeable—
  (a) on the taking in the United Kingdom of a ticket or chance in a lottery, and

(b) in such cases as may be determined by regulations, on the taking outside the United Kingdom of a ticket or chance in a lottery promoted in the United Kingdom.

(2) Regulations may make provision for determining when and where the taking of a ticket or chance in a lottery is to be treated as occurring for the purposes of this Chapter.

(3) Lottery duty is not chargeable in respect of a lottery that constitutes a game of bingo (or any version of bingo, by whatever name called).

(4) Lottery duty is not chargeable in respect—

(a) of a lottery promoted as an incident of an exempt entertainment within the meaning of the [M19]Lotteries and Amusements Act 1976 or the [M20]Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985;

(b) of a private lottery within the meaning of that Act or Order;

(c) of a society's lottery within the meaning of that Act or Order in respect of which the conditions set out in section 5(3) of that Act or Article 135(1) of that Order are satisfied;

(d) of a local lottery within the meaning of that Act in respect of which the conditions set out in section 6(2) of that Act are satisfied;

(e) of a lottery promoted in accordance with the [M21]Art Unions Act 1846.

(5) The Treasury may by order amend subsection (4) above so as to add to the descriptions of lottery for the time being mentioned in that subsection, so as to omit any of them or so as to substitute a different description of lottery for any of them.

Commencement Information

I7 S. 24 wholly in force; s. 24 not in force at Royal Assent, s. 24(1)(b)-(5) in force at 1.12.1993, s. 24 in force at 1.2.1994 insofar as not already in force by S.I. 1993/2842, **art. 3**.

Marginal Citations

M19 1976 c. 32.
M20 S.I. 1985/1204 (N.I. 11).
M21 1846 c. 48.

25 Amount of duty.

(1) The amount of the lottery duty chargeable on the taking of a ticket or chance in a lottery is equal to 12 per cent. of the value of the consideration given for the ticket or chance.

(2) Subject to subsection (3) below, the aggregate of everything paid or given by (or debited to the account of) the person taking the ticket or chance for, on account of, or in connection with, the ticket or chance shall be taken to be the consideration given for it.

(3) If a price is shown on a lottery ticket or any other document providing evidence of the taking of a ticket or chance in a lottery and—

(a) the consideration given for the ticket or chance is of lesser value than the price shown (or is of no value), or

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(b) no consideration is given for the ticket or chance,

consideration to the value of the price shown shall be taken to be given for the ticket or chance.

26 Time for payment.

(1) The lottery duty chargeable on the taking of a ticket or chance in a lottery becomes due and (subject to any regulations under subsection (2) below) payable at the time the ticket or chance is taken.

(2) Regulations may provide for the payment of any lottery duty due in respect of a lottery of a description specified in the regulations to be deferred, subject to any conditions or requirements that may be imposed by or under the regulations.

(3) Regulations may require payments (of amounts determined by or under the regulations) to be made on account of any lottery duty that may become due in respect of a lottery of a description specified in the regulations that is being or is to be promoted.

27 Persons liable for duty.

(1) Any lottery duty or payment on account of lottery duty that under section 26 above or regulations under that section is payable in respect of a lottery shall be paid (subject to any regulations under subsection (2) below) by the promoter of the lottery.

(2) Regulations may require any lottery duty or payment on account of lottery duty that is payable in respect of a lottery of a description specified in the regulations to be paid by a person specified in the regulations (being a person who occupies or has occupied a position of responsibility in relation to the lottery) instead of by the promoter.

(3) Any lottery duty that is payable in respect of a lottery may be recovered jointly and severally from—

(a) the promoter of the lottery,

(b) any other person who occupies or has occupied a position of responsibility in relation to the lottery or who has or has had any degree of control over any of its proceeds, and

(c) where the promoter or a person within paragraph (b) above is a body corporate, any director of that body corporate.

(4) A person who does not make a payment that he is required to make by subsection (1) above or regulations under subsection (2) above at the time the payment becomes payable is guilty of an offence and liable on summary conviction to a penalty of level 5 on the standard scale or, if greater, treble the amount of the unpaid duty or payment on account of duty.

Administration and enforcement

28 General.

(1) Lottery duty shall be under the care and management of the Commissioners.

(2) Regulations may provide for any matter for which provision appears to the Commissioners to be necessary or expedient for the administration or enforcement of lottery duty or for the protection of the revenue derived from lottery duty.

(3) A person who contravenes or does not comply with any regulations under subsection (2) above is guilty of an offence and liable on summary conviction to a penalty of level 5 on the standard scale.

29 Registration of promoters etc.

(1) A lottery in respect of which lottery duty is chargeable (or, on the taking of a ticket or chance, will be chargeable) shall not be promoted in the United Kingdom unless the chargeable person is registered with the Commissioners under this section.

(2) In this section "the chargeable person", in relation to a lottery, means—
- (a) subject to paragraph (b) below, the promoter of the lottery;
- (b) in the case of a lottery of a description specified in regulations under section 27(2) above, the other person referred to in that subsection.

(3) Regulations may make provision—
- (a) as to the time at which an application for registration is to be made, as to the form and manner of such an application and as to the information to be contained in or provided with it,
- (b) as to the requirements that must be satisfied as a condition of a person's registration or continued registration, and
- (c) as to other requirements that must be observed by a person while he remains registered.

(4) The requirements imposed by virtue of subsection (3)(b) above may include requirements as to the giving of security or further security (by means of a deposit or otherwise) for any lottery duty that may become due.

(5) Subject to regulations under subsection (3)(a) and (b) above, the Commissioners—
- (a) shall register any person applying to them for registration who satisfies them that he will be the chargeable person in relation to a lottery that is to be promoted, and
- (b) shall not remove any person from the register unless it appears to them that no lottery is being or is to be promoted in relation to which he is or will be the chargeable person.

(6) Where—
- (a) the Commissioners determine that a person should be removed from the register because any requirement imposed by regulations under subsection (3)(b) above is not (or is no longer) satisfied in relation to him, and
- (b) a lottery in relation to which he is the chargeable person is being promoted at the time they make that determination,

they shall not remove him from the register until the promotion of that lottery has come to an end.

(7) If subsection (1) above is contravened in relation to a lottery at any time during its promotion, the chargeable person is guilty of an offence and liable—

(a) on summary conviction, to a penalty of the statutory maximum or to imprisonment for a term not exceeding six months, or to both, or

(b) on conviction on indictment, to a penalty of any amount or to imprisonment for a term not exceeding two years, or to both.

(8) A person who contravenes or fails to comply with any requirements imposed by regulations under subsection (3)(c) above is guilty of an offence and liable on summary conviction to a penalty of level 5 on the standard scale.

Commencement Information

I8 S. 29 wholly in force; s. 29 not in force at Royal Assent, s. 29(2)-(8) in force at 1.12.1993, s. 29 in force at 1.2.1994 insofar as not already in force by S.I. 1993/2842, **art. 3**.

30 Application of revenue trade provisions of CEMA 1979.

(1) Section 1(1) of the [M22]Customs and Excise Management Act 1979 (interpretation) shall be amended in accordance with subsections (2) and (3) below.

(2) In the definition of "the revenue trade provisions of the customs and excise Acts"—

(a) the word "and" at the end of paragraph (b) shall be omitted, and

(b) at the end there shall be added "; and

(d) the provisions of Chapter II of Part I of the Finance Act 1993;".

(3) In paragraph (a) of the definition of "revenue trader"—

(a) the word "or" at the end of sub-paragraph (i) shall be omitted,

(b) after sub-paragraph (i) there shall be inserted—

"(i) the buying, selling, importation, exportation, dealing in or handling of tickets or chances on the taking of which lottery duty is or will be chargeable; or", and

(c) in sub-paragraph (ii) after "activities" there shall be inserted " as are mentioned in sub-paragraph (i) or (ia) above ".

(4) In section 117 of the [M23]Customs and Excise Management Act 1979 (execution and distress against revenue traders) after subsection (1) there shall be inserted—

"(1A) In subsection (1) above as it applies in relation to a sum owing by a revenue trader in respect of lottery duty or of a relevant penalty—

(a) references to goods liable to any excise duty include lottery tickets on the taking of which lottery duty will be chargeable, and

(b) "the trade in respect of which the duty is imposed" includes any trade or business carried on by the revenue trader that consists of or includes the buying, selling, importation, exportation, dealing in or handling of tickets or chances on the taking of which lottery duty is or will be chargeable."

Marginal Citations

M22 1979 c. 2.

M23 1979 c. 2.

31 General offences.

(1) A person who is knowingly concerned—
(a) in the fraudulent evasion (by him or another person) of lottery duty, or
(b) in taking steps with a view to such fraudulent evasion,
is guilty of an offence.

(2) A person guilty of an offence under subsection (1) above is liable—
(a) on summary conviction, to a penalty of the statutory maximum or, if greater, treble the amount of the duty evaded or sought to be evaded or to imprisonment for a term not exceeding six months, or to both, or
(b) on conviction on indictment, to a penalty of any amount or to imprisonment for a term not exceeding seven years, or to both.

(3) A person who in connection with lottery duty—
(a) makes a statement that he knows to be false in a material particular or recklessly makes a statement that is false in a material particular, or
(b) with intent to deceive, produces or makes use of a book, account, return or other document that is false in a material particular,
is guilty of an offence.

(4) A person guilty of an offence under subsection (3) above is liable—
(a) on summary conviction, to a penalty of the statutory maximum or to imprisonment for a term not exceeding six months, or to both, or
(b) on conviction on indictment, to a penalty of any amount or to imprisonment for a term not exceeding two years, or to both.

32 Offences by bodies corporate.

Where an offence under this Chapter is committed by a body corporate, every person who at the date of the commission of the offence is a director, manager, secretary or other similar officer of the body corporate (or is purporting to act in such a capacity) is also guilty of the offence unless—
(a) the offence is committed without his consent or connivance, and
(b) he has exercised all such diligence to prevent its commission as he ought to have exercised, having regard to the nature of his functions in that capacity and to all the circumstances.

33 Forfeiture.

(1) Where a person has committed an offence under section 31(1) or (3) above, any goods used in the promotion of, or in any other way related to, a relevant lottery are liable to forfeiture.

(2) In subsection (1) above "relevant lottery"—
(a) in relation to an offence under section 31(1) above, means a lottery in respect of which lottery duty was fraudulently evaded or (as the case may be) in respect of which the fraudulent evasion of lottery duty was sought, and

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Changes to legislation: *There are currently no known outstanding effects for the Finance Act 1993, Part I. (See end of Document for details)*

(b) in relation to an offence under section 31(3) above, means a lottery to which the false statement or (as the case may be) false document related.

34 Protection of officers etc.

Where a person takes an action in pursuance of instructions of the Commissioners given in connection with the enforcement of this Chapter or of regulations under it and, apart from this section, the person would in taking that action be committing an offence under any enactment relating to lotteries, he shall not be guilty of that offence.

35 Evidence by certificate etc.

(1) A certificate of the Commissioners—

(a) that a person was or was not, at any date, registered under section 29 above,

(b) that any return required by regulations under this Chapter had not been made at any date, or

(c) that any lottery duty shown as due in a return made in pursuance of such regulations or in an estimate made under section 116A of the [M24]Customs and Excise Management Act 1979 had not been paid at any date,

is sufficient evidence of that fact until the contrary is proved.

(2) A photograph of any document furnished to the Commissioners for the purposes of this Chapter and certified by them to be such a photograph is admissible in any proceedings, whether civil or criminal, to the same extent as the document itself.

(3) Any document purporting to be a certificate under subsection (1) or (2) above shall be taken to be such a certificate until the contrary is proved.

Marginal Citations

M24 1979 c. 2.

36 Duty a preferential debt in insolvency.

(1) In section 386(1) of the [M25]Insolvency Act 1986 (preferential debts) after "beer duty" there shall be inserted " , lottery duty ".

(2) In Schedule 6 to that Act (categories of preferential debts) in Category 2 (debts due to Customs and Excise) after paragraph 5A there shall be inserted—

"5B Any amount which is due by way of lottery duty from the debtor at the relevant date and which became due within the period of 12 months next before that date."

(3) In Schedule 3 to the [M26]Bankruptcy (Scotland) Act 1985 (list of preferred debts) at the end of paragraph 2 (debts due to Customs and Excise) there shall be added—

"(5) Any amount which is due by way of lottery duty from the debtor at the relevant date and which became due within the period of 12 months next before that date."

(4) In Article 346(1) of the [M27]Insolvency (Northern Ireland) Order 1989 (preferential debts) after "beer duty" there shall be inserted " , lottery duty ".

(5) In Schedule 4 to that Order (categories of preferential debts) in Category 2 (debts due to Customs and Excise) after paragraph 5A there shall be inserted—

"5B Any amount which is due by way of lottery duty from the debtor at the relevant date and which became due within the period of 12 months next before that date."

Marginal Citations

M25 1986 c. 45.
M26 1985 c. 66.
M27 S.I. 1989/2405 (N.I.19).

37 Disclosure of information.

(1) Notwithstanding any obligation not to disclose information that would otherwise apply, the Commissioners may disclose information—
  (a) to the Secretary of State,
  (b) to the Gaming Board for Great Britain, or
  (c) to an authorised officer of the Secretary of State or Gaming Board,

for the purpose of assisting the Secretary of State or Gaming Board (as the case may be) in the performance of duties imposed by or under any enactment in relation to lotteries.

(2) Notwithstanding any such obligation as is mentioned in subsection (1) above—
  (a) the Secretary of State,
  (b) the Gaming Board for Great Britain, or
  (c) an authorised officer of the Secretary of State or Gaming Board,

may disclose information to the Commissioners or to an authorised officer of the Commissioners for the purpose of assisting the Commissioners in the performance of duties in relation to lottery duty.

(3) Information that has been disclosed to a person by virtue of this section shall not be disclosed by him except—
  (a) to another person to whom (instead of him) disclosure could by virtue of this section have been made, or
  (b) for the purpose of any proceedings connected with the operation of any enactment in relation to lotteries or lottery duty.

(4) References above in this section to the Secretary of State include any person who has been designated by the Secretary of State as a person to and by whom information may be disclosed under this section.

(5) The Secretary of State shall notify the Commissioners in writing if he designates a person under subsection (4) above.

Status: *Point in time view as at 27/07/1993. This version of this part contains provisions that are not valid for this point in time.*
Changes to legislation: *There are currently no known outstanding effects for the Finance Act 1993, Part I. (See end of Document for details)*

Supplementary

38 Regulations and orders.

(1) Any regulations under this Chapter may make—

(a) different provision for different cases or circumstances, and

(b) incidental, supplemental or consequential provision.

(2) Any power to make regulations or orders under this Chapter is exercisable by statutory instrument.

(3) Subject to subsection (4) below, a statutory instrument containing such regulations or an order under section 24(5) above is subject to annulment in pursuance of a resolution of the House of Commons.

(4) An order under section 24(5) above that will result in lottery duty becoming chargeable in respect of any description of lottery shall not be made unless a draft of the statutory instrument containing it has been laid before, and approved by a resolution of, the House of Commons.

VALID FROM 01/02/1994

39 Disapplication of pool betting duty.

In section 6 of the [M28]Betting and Gaming Duties Act 1981 (pool betting duty)—

(a) for subsection (3)(b) there shall be substituted—

"(b) "bet" does not include the taking of a ticket or chance in a lottery.", and

(b) subsection (4) shall cease to have effect.

Marginal Citations

M28 1981 c. 63.

40 Interpretation etc.

(1) In this Chapter—

"the Commissioners" means the Commissioners of Customs and Excise,

"document" includes a document of any kind whatsoever and, in particular, a record kept by means of a computer,

"promotion", in relation to a lottery, includes the conduct of the lottery (and "promoted" is to be read accordingly), and

"regulations" means regulations made by the Commissioners.

(2) This Chapter applies in relation to lotteries promoted on behalf of the Crown in pursuance of any enactment as it applies in relation to lotteries not so promoted.

(3) The imposition by this Chapter of lottery duty does not make lawful anything that is unlawful apart from this Chapter.

41 Commencement.

This Chapter shall come into force on such day as the Commissioners may by order appoint, and different days may be appointed for different provisions or for different purposes.

Subordinate Legislation Made

P3 S. 41 power fully exercised (18.11.1993): different dates appointed for specified provisions by S.I. 1993/2842, **art. 3**.

CHAPTER III

VALUE ADDED TAX

42 Fuel and power for domestic or charity use.

(1) The supplies of the descriptions specified in Group 7 of Schedule 5 to the [M29]Value Added Tax Act 1983 (supplies of fuel and power for domestic or charity use) shall cease to be zero-rated for the purposes of charging value added tax on any supply, acquisition or importation made or taking place on or after 1st April 1994.

(2) Section9 of the Value Added Tax Act 1983 (rate of tax) shall have effect—

(a) in relation to so much of any supply made on or after 1st April 1994 and before 1st April 1995 as (but for subsection (1) above) would be zero-rated by virtue of Group 7 of Schedule 5 to that Act; and

(b) in relation to any equivalent acquisition or importation taking place on or after 1st April 1994 and before 1st April 1995,

as if a rate of 8 per cent. were substituted for the rate specified in subsection (1) of that section.

(3) The reference in subsection (2) above to an equivalent acquisition or importation, in relation to any supply which would be zero-rated but for subsection (1) above, is a reference, as the case may be, to—

(a) any acquisition from another member State of goods the supply of which would be such a supply; or

(b) any importation from a place outside the member States of any such goods.

(4) This section shall be construed as one with the Value Added Tax Act 1983.

Marginal Citations

M29 1983 c. 55.

43 Vehicle fuel for private use.

(1) Paragraph 3 of Schedule 6 to the [M30]Finance Act 1986 and the Table B set out after that paragraph (consideration for fuel for private use where business use not less than specified amount) shall not have effect in relation to any case where the prescribed accounting period begins after 5th April 1993.

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Changes to legislation: *There are currently no known outstanding effects for the Finance Act 1993, Part I. (See end of Document for details)*

(2) Accordingly, that Schedule shall have effect in relation to any such case with the following amendments, namely—

(a) in paragraph 5(1)(a), for the words from "cubic capacity" to "in question" there shall be substituted " vehicle specified in Table A above, that Table ";

(b) in paragraph 5(1)(b), for "cubic capacity specified in those Tables" and "the Table in question" there shall be substituted, respectively, " vehicle specified in that Table " and " that Table ";

(c) in paragraph 6(1), for the words from "Tables" onwards there shall be substituted " Table A above is the capacity of its engine as calculated for the purposes of the Vehicles (Excise) Act 1971 "; and

(d) in paragraph 6(2), for "Tables A and B" there shall be substituted " Table A ".

(3) Paragraph 4 of that Schedule (power of Treasury to substitute Tables) shall have effect for the purposes of the making of any order after 5th April 1993 with the substitution of " the Table A for the time being " for "either of the Tables".

Marginal Citations

M30 1986 c. 41.

44 Acquisitions from persons belonging in other member States.

(1) After section 8C of the [M31]Value Added Tax Act 1983 there shall be inserted the following section—

"8D Acquisitions from persons belonging in other member States.

(1) Subject to subsection (3) below, where—

(a) a person ("the original supplier") makes a supply of goods to a person who belongs in another member State ("the intermediate supplier");

(b) that supply involves the removal of the goods from another member State and their removal to the United Kingdom but does not involve the removal of the goods from the United Kingdom;

(c) both that supply and the removal of the goods to the United Kingdom are for the purposes of the making of a supply by the intermediate supplier to another person ("the customer") who is registered under this Act;

(d) neither of those supplies involves the removal of the goods from a member State in which the intermediate supplier is taxable at the time of the removal without also involving the previous removal of the goods to that member State; and

(e) there would be a taxable acquisition by the customer if the supply to him involved the removal of goods from another member State to the United Kingdom,

the supply by the original supplier to the intermediate supplier shall be disregarded for the purposes of this Act and the supply by the intermediate supplier to the customer shall be treated for the purposes of this Act, other than Schedule 1B, as if it did involve the removal of the goods from another member State to the United Kingdom.

(2) Subject to subsection (3) below, where—

(a) a person belonging in another member State makes such a supply of goods to a person who is registered under this Act as involves their installation or assembly at a place in the United Kingdom to which they are removed; and

(b) there would be a taxable acquisition by the registered person if that supply were treated as not being a taxable supply but as involving the removal of the goods from another member State to the United Kingdom,

that supply shall be so treated except for the purposes of Schedule 1B to this Act.

(3) Neither subsection (1) nor subsection (2) above shall apply in relation to any supply unless the intermediate supplier or, as the case may be, the person making the supply complies with such requirements as to the furnishing (whether before or after the supply is made) of invoices and other documents, and of information, to—

(a) the Commissioners, and

(b) the person supplied,

as the Commissioners may by regulations prescribe; and regulations under this subsection may provide for the times at which, and the form and manner in which, any document or information is to be furnished and for the particulars which it is to contain.

(4) Where this section has the effect of treating a taxable acquisition as having been made, section 8B(1) above shall apply in relation to that acquisition with the omission of the words from "whichever" to "acquisition; and" at the end of paragraph (a).

(5) For the purposes of this section a person belongs in another member State if—

(a) he does not have any business establishment or other fixed establishment in the United Kingdom and does not have his usual place of residence in the United Kingdom;

(b) he is neither registered under this Act nor required to be so registered;

(c) he does not have a tax representative and is not for the time being required to appoint one; and

(d) he is taxable in another member State;

but, in determining for the purposes of paragraph (b) above whether a person is required to be registered under this Act, there shall be disregarded any supplies which, if he did belong in another member State and complied with the requirements prescribed under subsection (3) above, would fall to be disregarded by virtue of this section.

(6) Without prejudice to section 8C(4) above, where—

(a) any goods are acquired from another member State in a case which corresponds, in relation to another member State, to the case specified in relation to the United Kingdom in subsection (1) above; and

(b) the person who acquires the goods is registered under this Act and would be the intermediate supplier in relation to that corresponding case,

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the supply to him of those goods and the supply by him of those goods to the person who would be the customer in that corresponding case shall both be disregarded for the purposes of this Act, other than the purposes of the information provisions referred to in section 46A(7) below.

(7) References in this section to a person being taxable in another member State shall not include references to a person who is so taxable by virtue only of provisions of the law of another member State corresponding to the provisions of this Act by virtue of which a person who is not registered under this Act is a taxable person if he is required to be so registered."

(2) Section32B of that Act (overseas suppliers accounting through their customers) shall cease to have effect.

(3) As a consequence of the preceding provisions of this section—

(a) in section 6(1) of that Act (place of supply), for "section 35" there shall be substituted " sections 8D and 35 "; and

(b) in section 8C(1) of that Act (place of acquisition), for "sections 32B(5) and 35" there shall be substituted " section 35 ".

(4) This section shall have effect in relation to supplies of goods made on or after 1st August 1993 other than a supply of goods by an intermediate supplier to whom the goods were supplied before that date.

Marginal Citations

M31 1983 c. 55.

45 Customers to account for tax on supplies of gold etc.

(1) After section 37B of the [M32]Value Added Tax Act 1983 there shall be inserted the following section—

"37C Customers to account for tax on supplies of gold etc.

(1) Where any person makes a supply of gold to another person and that supply is a taxable supply but not a zero-rated supply, the supply shall be treated for the purposes of Schedule 1 to this Act—

(a) as a taxable supply of that other person (as well as a taxable supply of the person who makes it); and

(b) in so far as that other person is supplied in connection with the carrying on by him of any business, as a supply made by him in the course or furtherance of that business;

but nothing in paragraph (b) above shall require any supply to be disregarded for the purposes of that Schedule on the grounds that it is a supply of capital assets of that other person's business.

(2) Where a taxable person makes a supply of gold to a person who—

(a) is himself a taxable person at the time when the supply is made; and

(b) is supplied in connection with the carrying on by him of any business,

it shall be for the person supplied, on the supplier's behalf, to account for and pay tax on the supply, and not for the supplier.

(3) So much of this Act and of any other enactment or any subordinate legislation as has effect for the purposes of, or in connection with, the enforcement of any obligation to account for and pay value added tax shall apply for the purposes of this section in relation to any person who is required under subsection (2) above to account for and pay any tax as if that tax were tax on a supply made by him.

(4) Section 5(1) to (5) above shall not apply for determining when any supply of gold is to be treated as taking place.

(5) References in this section to a supply of gold are references to—

(a) any supply of goods consisting in gold, including gold coins, or

(b) any supply of goods containing gold where the consideration for the supply (apart from any tax) is, or is equivalent to, an amount which does not exceed, or exceeds by no more than a negligible amount, the open market value of the gold contained in the goods.

(6) The Treasury may by order provide for this section to apply, as it applies to the supplies specified in subsection (5) above, to such other supplies of—

(a) goods consisting in or containing any precious or semi-precious metal or stones; or

(b) services relating to, or to anything containing, any precious or semi-precious metal or stones,

as may be specified or described in the order."

(2) In section 5(9) of that Act (power to modify time of supply)—

(a) in the words before paragraph (a), after "4 above" there shall be inserted " or 37C(4) below "; and

(b) in the words after paragraph (b), before "a supply of services" there shall be inserted " a supply to which section 37C below applies or there is ".

(3) Subsection (1) above, so far as it makes provision in relation to supplies of gold, shall have effect in relation to supplies made on or after 1st April 1993, but section 5 of that Act shall be disregarded in determining the time of any supply for the purposes of this subsection.

Marginal Citations

M32 1983 c. 55.

46 Appeals in respect of input tax.

(1) In section 40 of the [M33]Value Added Tax Act 1983 (appeals), after subsection (3) there shall be inserted the following subsection—

"(3ZA) Where—

(a) there is an appeal against a decision of the Commissioners with respect to, or to so much of any assessment as concerns, the amount of input tax that may be credited to any person or the proportion of input tax allowable under section 15 above,

(b) that appeal relates, in whole or in part, to any determination by the Commissioners—

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(i) as to the purposes for which any goods or services were or were to be used by any person, or

(ii) as to whether or to what extent the matters to which any input tax was attributable were or included matters other than the making of supplies within section 15(2) above, and

(c) tax for which, in pursuance of that determination, there is no entitlement to a credit is tax on the supply, acquisition or importation of something in the nature of a luxury, amusement or entertainment,

the tribunal shall not allow the appeal or, as the case may be, so much of it as relates to that determination unless it considers that the determination is one which it was unreasonable to make or which it would have been unreasonable to make if information brought to the attention of the tribunal that could not have been brought to the attention of the Commissioners had been available to be taken into account when the determination was made."

(2) This section shall apply in relation to any appeal relating to the input tax that may be credited to any person at the end of a prescribed accounting period beginning on or after the day on which this Act is passed.

Marginal Citations

M33 1983 c. 55.

47 Deemed supplies.

(1) Paragraph 5 of Schedule 2 to the [M34]Value Added Tax Act 1983 (matters to be treated as supplies) shall be amended as follows.

(2) In sub-paragraph (2) (gifts which are not to be treated as supplies), for paragraph (b) there shall be substituted the following paragraph—

"(b) subject to sub-paragraph (2A) below, a gift to any person of a sample of any goods."

(3) After that sub-paragraph there shall be inserted the following sub-paragraph—

"(2A) Where—

(a) a person is given a number of samples by the same person (whether all on one occasion or on different occasions), and

(b) those samples are identical or do not differ in any material respect from each other,

sub-paragraph (1) above shall apply to all except one of those samples or, as the case may be, to all except the first to be given."

(4) After sub-paragraph (3) there shall be inserted the following sub-paragraph—

"(3A) Neither sub-paragraph (1) nor sub-paragraph (3) above shall require anything which a person carrying on a business does otherwise than for a consideration in relation to any goods to be treated as a supply except in a case where that person is entitled under sections 14 and 15 of this Act to credit for the whole or any part of the tax on the supply, acquisition or importation of those goods or of anything comprised in them."

Marginal Citations
M34 1983 c. 55.

48 Bad debts.

(1) In section 11 of the [M35]Finance Act 1990 (bad debts) in subsection (1)(c) (period of one year beginning with date of supply must elapse) for "one year" there shall be substituted " six months ".

(2) This section shall be deemed to have come into force on 1st April 1993 and shall apply in relation to supplies made on or after 1st April 1992.

Commencement Information
I9 S. 48 in force at 1.4.1993: see s. 48(2)

Marginal Citations
M35 1990 c. 29.

49 Penalties etc.

Schedule 2 to this Act (which contains amendments of the provisions of Chapter II of Part I of the [M36]Finance Act 1985 relating to penalties etc.) shall have effect.

Marginal Citations
M36 1985 c. 54.

50 Amendments in connection with abolition of car tax.

(1) The [M37]Value Added Tax Act 1983 shall be amended as follows.

(2) In Schedule 4 (valuation: special cases) in paragraph 3A(1)—
  (a) the words "or with car tax", and
  (b) the word "tax" in the second place where it occurs,
shall be omitted.

(3) In Schedule 4A (valuation of acquisitions from other member states: special cases) in paragraph 2(1)—
  (a) the words " or with car tax", and
  (b) the word "tax" in the second place where it occurs,
shall be omitted.

(4) In Schedule 7 (administration, collection and enforcement) in paragraph 2(3B)—
  (a) the words "or of a chargeable vehicle within the meaning of the Car Tax Act 1983" shall be omitted,
  (b) the words "or of such a vehicle" shall be omitted, and

(c) for the words from "any duty" to "may allow" there shall be substituted the words " any duty or agricultural levy in the value of the supply or acquisition determined, by reference to the duty point or by reference to such later time as the Commissioners may allow. "

Marginal Citations

M37 1983 c. 55.

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