



Vehicle Excise and Registration Act 1994

1994 CHAPTER 22

PART I

VEHICLE EXCISE DUTY AND LICENCES

Trade licences

13 Trade licences: duration and amount of duty.

(1) A trade licence may be taken out—

- (a) for one calendar year,
- (b) for a period of six months beginning with the first day of January or of July, or
- (c) where subsection (2) applies, for a period of seven, eight, nine, ten or eleven months beginning with the first day of any month other than January or July [^{F1}and ending no later than the relevant date].

[^{F2}(1A) In subsection (1)(c) “the relevant date” means—

- (a) in relation to a licence taken out for a period beginning with the first day of any of the months February to June in any year, 31st December of that year;
- (b) in relation to a licence taken out for a period beginning with the first day of any of the months August to December in any year, 30th June of the following year.]

(2) This subsection applies where the person taking out the licence—

- (a) is not a motor trader or vehicle tester (having satisfied the Secretary of State as mentioned in section 11(1)(b)), or
- (b) does not hold any existing trade licence.

(3) The rate of duty applicable to a trade licence taken out for a calendar year [^{F3}(“the applicable annual rate”)] is—

- (a) the annual rate currently applicable to a vehicle under sub-paragraph [^{F4}(1)(d)] of paragraph 2 of Schedule 1 if the licence is to be used only for vehicles to which that paragraph applies, and

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(b) otherwise, the [^{F5}basic goods vehicle rate currently applicable].

[^{F6}(3A) Where a trade licence is taken out for a calendar year and the duty is to be paid by more than one instalment pursuant to an agreement under section 19B, the rate of duty is 105% of the applicable annual rate.]

[^{F7}(4) The rate of duty applicable to a trade licence taken out for a period of 6 months is—

- (a) 55% of the applicable annual rate for a corresponding trade licence taken out for a calendar year, or
- (b) if the duty is to be paid by direct debit pursuant to an agreement under section 19B, 52.5% of that applicable annual rate.]

(5) The rate of duty applicable to a trade licence taken out for a period of seven, eight, nine, ten or eleven months is the aggregate of—

- (a) fifty-five per cent. of the [^{F8}applicable annual rate for a] corresponding trade licence taken out for a calendar year, and
- (b) one-sixth of the amount arrived at under paragraph (a) in respect of each month in the period in excess of six.

(6) In determining a rate of duty under [^{F9}subsection (3A), (4)] or (5) any fraction of five pence—

- (a) if it exceeds two and a half pence, shall be treated as five pence, and
- (b) otherwise, shall be disregarded.

[^{F10}(7) In this section “the basic goods vehicle rate” means the annual rate applicable, by virtue of sub-paragraph (1) of paragraph 9 of Schedule 1, to a rigid goods vehicle which—

- ^{F11}(a)
- (b) falls within column (3) of the table in that sub-paragraph and has a revenue weight exceeding 3,500 kilograms and not exceeding 7,500 kilograms.]

Textual Amendments

- F1** Words in s. 13(1)(c) inserted (1.5.1995 with effect as mentioned in [Sch. 4 para. 31\(3\)](#) of the amending Act) by [1995 c. 4, s. 19, Sch. 4 Pt. V para. 31\(1\)\(3\)](#)
- F2** S. 13(1A) inserted (1.5.1995 with effect as mentioned in [Sch. 4 para. 31\(3\)](#) of the amending Act) by [1995 c. 4, s. 19, Sch. 4 Pt. V para. 31\(2\)\(3\)](#)
- F3** Words in s. 13(3) inserted (1.10.2014) by [Finance Act 2014 \(c. 26\), s. 89\(3\)\(a\)\(10\)](#)
- F4** Words in s. 13(3)(a) substituted (24.7.2002 with application as mentioned in [s. 18\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\), s. 18\(2\)](#)
- F5** Words in s. 13(3)(b) substituted (7.4.2005 with effect as mentioned in [s. 7\(16\)](#) of the amending Act) by [Finance Act 2005 \(c. 7\), s. 7\(3\)](#)
- F6** [S. 13\(3A\)](#) inserted (1.10.2014) by [Finance Act 2014 \(c. 26\), s. 89\(3\)\(b\)\(10\)](#)
- F7** [S. 13\(4\)](#) substituted (1.10.2014) by [Finance Act 2014 \(c. 26\), s. 89\(3\)\(c\)\(10\)](#)
- F8** Words in [s. 13\(5\)\(a\)](#) substituted (1.10.2014) by [Finance Act 2014 \(c. 26\), s. 89\(3\)\(d\)\(10\)](#)
- F9** Words in [s. 13\(6\)](#) substituted (1.10.2014) by [Finance Act 2014 \(c. 26\), s. 89\(3\)\(e\)\(10\)](#)
- F10** [S. 13\(7\)](#) inserted (7.4.2005 with effect as mentioned in [s. 7\(14\)\(16\)](#) of the amending Act) by [Finance Act 2005 \(c. 7\), s. 7\(5\)](#)
- F11** [S. 13\(7\)\(a\)](#) and word omitted (with effect in accordance with [Sch. 18 paras. 12-14, 16](#) of the amending Act) by virtue of [Finance Act 2014 \(c. 26\), Sch. 18 para. 10\(a\)](#)

Changes to legislation:

Vehicle Excise and Registration Act 1994, Section 13 is up to date with all changes known to be in force on or before 04 December 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 7(1A) inserted by [2006 c. 49 s. 47\(2\)](#)
- s. 7(5)(za) inserted by [2006 c. 49 s. 47\(3\)](#)
- s. 22(1)(aa) inserted by [2006 c. 49 s. 47\(6\)](#)
- s. 22(1AA) inserted by [2006 c. 49 s. 47\(9\)](#)
- s. 22(1BA) inserted by [2006 c. 49 s. 47\(10\)](#)
- Sch. 1 para. 1N inserted by [2023 c. 1 s. 10\(5\)\(e\)\(7\)](#)
- Sch. 2 para. 20G(2)(za)-(zc) inserted by [2023 c. 1 s. 10\(2\)\(a\)\(i\)\(7\)](#)