Vehicle Excise and Registration Act 1994

1994 CHAPTER 22

PART I

VEHICLE EXCISE DUTY AND LICENCES

Vehicle licences

[F1 7A Supplement payable on [F2 vehicle ceasing to be appropriately covered]

(1) Regulations may make provision for a supplement of a prescribed amount to be payable **[**F3 where—

(a) a vehicle has ceased to be appropriately covered,

(b) the vehicle is not, before the end of the relevant prescribed period, appropriately covered as mentioned in paragraph (a) or (b) of subsection (1A) below with effect from the time immediately after it so ceased or appropriately covered as mentioned in paragraph (d) of that subsection, and

(c) the circumstances are not such as may be prescribed.**]**

[For the purposes of this section and section 7B a vehicle is appropriately covered if F4(1A) (and only if)—

(a) a vehicle licence or trade licence is in force for or in respect of the vehicle,

(b) the vehicle is an exempt vehicle in respect of which regulations under this Act require a nil licence to be in force and a nil licence is in force in respect of it,

(c) the vehicle is an exempt vehicle that is not one in respect of which regulations under this Act require a nil licence to be in force, or

(d) the vehicle is neither kept nor used on a public road and the declarations and particulars required to be delivered by regulations under section 22(1D) have been delivered in relation to it in accordance with the regulations F5... .

(1B) Where a vehicle for F6... which a vehicle licence is in force is transferred by the holder of the vehicle licence to another person, the vehicle licence is to be treated for the purposes of subsection (1A) as no longer in force F7... .

Changes to legislation: *Vehicle Excise and Registration Act 1994, Section 7A is up to date with all changes known to be in force on or before 13 July 2024. 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. (See end of Document for details) View outstanding changes*

[F8](1C) . . . . . .

(1D) In subsection (1)(b) "the relevant prescribed period" means such period beginning with the date on which the vehicle ceased to be appropriately covered as is prescribed.**]**

(2) A supplement under this section—

(a) shall be payable by such person, or jointly and severally by such persons, as may be prescribed;

(b) shall become payable at such time as may be prescribed;

(c) may be of an amount that varies according to the length of the period between—

[[F9](i) the time of a notification (in accordance with regulations under section 7B(1)) to, or in relation to, a person by whom it is payable, and

(ii) the time at which it is paid.**]**

(3) A supplement under this section that has become payable—

(a) is in addition to any vehicle excise duty charged in respect of the vehicle concerned;

(b) does not cease to be payable by reason of **[**[F10]the vehicle being again appropriately covered**]** after the supplement has become payable;

(c) may, without prejudice to section 6 or 7B(2) and (3) or any other provision of this Act, be recovered as a debt due to the Crown.

(4) In this section—

(a) [F11] . . . . . .

(b) "prescribed" means prescribed by, or determined in accordance with, regulations;

(c) "regulations" means regulations made by the Secretary of State with the consent of the Treasury.

(5) No regulations to which subsection (6) applies shall be made under this section unless a draft of the regulations has been laid before, and approved by a resolution of, each House of Parliament.

(6) This subsection applies to regulations under this section that—

(a) provide for a supplement to be payable in a case where one would not otherwise be payable,

(b) increase the amount of a supplement,

(c) provide for a supplement to become payable earlier than it would otherwise be payable, or

(d) provide for a supplement to be payable by a person by whom the supplement would not otherwise be payable.**]**

Textual Amendments

F1 Ss. 7A, 7B inserted (24.7.2002 for the purpose of the exercise of any power to make regulations and 30.11.2003 otherwise) by Finance Act 2002 (c. 23), s. 19, **Sch. 5 para. 5** ; S.I. 2003/3086, **art. 2(b)**

F2 Words in s. 7A heading substituted (20.7.2005) by Finance (No. 2) Act 2005 (c. 22), **s. 66(8)**

F3 Words in s. 7A(1) substituted (20.7.2005) by Finance (No. 2) Act 2005 (c. 22), **s. 66(3)**

F4 S. 7A(1A)-(1D) inserted (20.7.2005) by Finance (No. 2) Act 2005 (c. 22), **s. 66(4)**

F5 Words in s. 7A(1A)(d) omitted (17.7.2013) by virtue of Finance Act 2013 (c. 29), **s. 189(2)**

Changes to legislation: *Vehicle Excise and Registration Act 1994, Section 7A is up to date with all changes known to be in force on or before 13 July 2024. 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. (See end of Document for details) View outstanding changes*

F6 Words in s. 7A(1B) omitted (1.10.2014) by virtue of Finance Act 2014 (c. 26), **Sch. 19 paras. 3(2)(a)**, 22

F7 Words in s. 7A(1B) omitted (1.10.2014) by virtue of Finance Act 2014 (c. 26), **Sch. 19 paras. 3(2)(b)**, 22

F8 S. 7A(1C) omitted (1.10.2014) by virtue of Finance Act 2014 (c. 26), **Sch. 19 paras. 3(3)**, 22

F9 S. 7A(2)(c)(i)(ii) substituted (20.7.2005) by Finance (No. 2) Act 2005 (c. 22), **s. 66(5)**

F10 Words in s. 7A(3)(b) substituted (20.7.2005) by Finance (No. 2) Act 2005 (c. 22), **s. 66(6)**

F11 S. 7A(4)(a) repealed (20.7.2005) by Finance (No. 2) Act 2005 (c. 22), ss. 66(7), 70, **Sch. 11 Pt. 5(1)**

Changes to legislation:
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View outstanding changes

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)