Finance Act 1996

1996 CHAPTER 8

PART I

EXCISE DUTIES

Vehicle excise duty

17   Vehicles capable of conveying loads.

(1) Schedule 1 to the ^M1Vehicle Excise and Registration Act 1994 (annual rates of duty) shall be amended in accordance with subsections (2) to (8) below.

(2) In paragraph 4(2) (meaning of "special vehicle"), immediately before paragraph (c) there shall be inserted the following paragraph—

"(bb)   a vehicle falling within sub-paragraph (2A) or (2B),".

(3) After sub-paragraph (2) of paragraph 4 there shall be inserted the following sub-paragraphs—

"(2A) A vehicle falls within this sub-paragraph if—

(a)   it is designed or adapted for use for the conveyance of goods or burden of any description; but

(b)   it is not so used or is not so used for hire or reward or for or in connection with a trade or business.

(2B) A vehicle falls within this sub-paragraph if—

(a)   it is designed or adapted for use with a semi-trailer attached; but

(b)   it is not so used or, if it is so used, the semi-trailer is not used for the conveyance of goods or burden of any description."

(4) In paragraph 9(2) (rigid goods vehicles which are subject to basic goods vehicle rate), after paragraph (b) there shall be inserted "and

(c)   to any rigid goods vehicle which is used loaded only in connection with a person learning to drive the vehicle or taking a driving test,".

(5) In paragraph 10(1) (trailer supplement), after "exceeding 12,000 kilograms" there shall be inserted " , which does not fall within paragraph 9(2)(b) or (c) ".

(6) In paragraph 11(2) (tractive units which are subject to basic goods vehicle rate), after paragraph (b) there shall be inserted "and

    (c)   to any tractive unit to which a semi-trailer is attached which is used loaded only in connection with a person learning to drive the tractive unit or taking a driving test,".

(7) In paragraph 16(1) (cases where Part VIII of Schedule 1 does not apply), paragraph (b), and the word "or" immediately preceding it, shall be omitted.

(8) After paragraph 18 there shall be inserted the following paragraph—

> "19   **Other expressions**
>
> (1) In this Part "driving test" means any test of competence to drive mentioned in section 89(1) of the [M2]Road Traffic Act 1988.
>
> (2) For the purposes of this Part a vehicle or a semi-trailer is used loaded if the vehicle or, as the case may be, the semi-trailer is used for the conveyance of goods or burden of any description."

(9) In section 7 of the [M3]Vehicle Excise and Registration Act 1994 (issue of licences), in subsection (2) (declarations and particulars in relation to goods vehicles)—

    (a)   after "goods vehicle" there shall be inserted " or a special vehicle "; and

    (b)   after "goods vehicles" there shall be inserted " or, as the case may be, special vehicles ".

(10) After subsection (7) of that section there shall be inserted the following subsection—

> "(8) In this section "special vehicle" has the same meaning as in paragraph 4 of Schedule 1."

(11) Subject to subsection (13) below, subsections (1) to (8) above apply in relation to licences taken out after 28th November 1995.

(12) Subsection (13) below applies where a vehicle licence is taken out—

    (a)   on or before 28th November 1995, and

    (b)   at the rate applicable (at the time it is taken out) under Schedule 1 to the Vehicle Excise and Registration Act 1994.

(13) While the licence is in force duty shall not, by virtue of this section, become chargeable under section 15 of that Act (vehicle used in manner attracting higher rate).

(14) Subsections (9) and (10) above apply in relation to applications made after 28th November 1995.

(15) Paragraph 15 of Schedule 1 to that Act (which is unnecessary) shall be omitted.

M3   1994 c. 22.

Changes to legislation:
There are currently no known outstanding effects for the Finance Act 1996, Section 17.