Finance Act 1997

1997 CHAPTER 16

PART II

INSURANCE PREMIUM TAX

New rates of tax

21 Rate of tax.

(1) For section 51 of the [M1]Finance Act 1994 (rate of tax) there shall be substituted—

"**51 Rate of tax.**

(1) Tax shall be charged—

(a) at the higher rate, in the case of a premium which is liable to tax at that rate; and

(b) at the standard rate, in any other case.

(2) For the purposes of this Part—

(a) the higher rate is 17.5 per cent.; and

(b) the standard rate is 4 per cent."

(2) In section 73(1) of the Finance Act 1994 (general interpretation) there shall be inserted at the appropriate places—

"(a) "the higher rate" shall be construed in accordance with section 51 above;"

"(b) "the standard rate" shall be construed in accordance with section 51 above;".

Marginal Citations

M1 1994 c. 9.

Changes to legislation:
There are currently no known outstanding effects for the Finance Act 1997, Section 21.