



# Finance Act 2008

## 2008 CHAPTER 9

### PART 1

#### CHARGES, RATES, ALLOWANCES, RELIEFS ETC

##### *Environmental taxes and duties*

#### 17 Rates of vehicle excise duty

- (1) Schedule 1 to VERA 1994 (annual rates of duty) is amended as follows.
- (2) In paragraph 1 (general)—
- (a) in sub-paragraph (2) (vehicle not covered elsewhere in Schedule otherwise than with engine cylinder capacity not exceeding 1,549cc), for “£180” substitute “ £185 ”, and
  - (b) in sub-paragraph (2A) (vehicle not covered elsewhere in Schedule with engine cylinder capacity not exceeding 1,549cc), for “£115” substitute “ £120 ”.
- (3) In paragraph 1B (graduated rates for light passenger vehicles), for the table substitute—

“TABLE

<i>CO<sub>2</sub> emissions figure</i>		<i>Rate</i>	
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>
<i>Exceeding</i>	<i>Not exceeding</i>	<i>Reduced rate</i>	<i>Standard rate</i>
<i>g/km</i>	<i>g/km</i>	<i>£</i>	<i>£</i>
100	120	15	35
120	150	100	120
150	165	125	45

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165	185	150	170
185	225	195	210
225		385	400

The table has effect in relation to vehicles first registered before 23 March 2006 as if—

- (a) in column (3), in the last row, “ 195 ” were substituted for “385”, and
  - (b) in column (4), in the last row, “ 210 ” were substituted for “400”.
- (4) In paragraph 1J (light goods vehicles)—
- (a) in sub-paragraph (a) (vehicle which is not lower-emission van), for “£175” substitute “ £180 ”, and
  - (b) in sub-paragraph (b) (lower-emission van), for “£115” substitute “ £120 ”.
- (5) In paragraph 2(1) (motorcycles)—
- (a) in paragraph (b) (motorbicycle and engine's cylinder capacity more than 150cc but not more than 400cc), for “£32” substitute “ £33 ”,
  - (b) in paragraph (c) (motorbicycle and engine's cylinder capacity more than 400cc but not more than 600cc), for “£47” substitute “ £48 ”, and
  - (c) in paragraph (d) (any other case), for “£64” substitute “ £66 ”.
- (6) The amendments made by this section have effect in relation to licences taken out on or after 13 March 2008.

## **18 Standard rate of landfill tax**

- (1) In section 42(1)(a) and (2) of FA 1996 (amount of landfill tax), for “£32” substitute “ £40 ”.
- (2) The amendments made by subsection (1) come into force on 1 April 2009 and have effect in relation to disposals made (or treated as made) on or after that date.

## **19 Rates of climate change levy**

- (1) In Schedule 6 to FA 2000 (climate change levy), for the table in paragraph 42(1) substitute—

“TABLE

<i><b>Taxable commodity supplied</b></i>	<i><b>Rate at which levy payable if supply is not a reduced-rate supply</b></i>
Electricity	£0.00470 per kilowatt hour
Gas supplied by a gas utility or any gas supplied in a gaseous state that is of a kind supplied by a gas utility	£0.00164 per kilowatt hour
Any petroleum gas, or other gaseous hydrocarbon, supplied in a liquid state	£0.01050 per kilogram
Any other taxable commodity	£0.01281 per kilogram”.

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- (2) The amendment made by subsection (1) has effect in relation to supplies treated as taking place on or after 1 April 2009.

## **20 Rate of aggregates levy**

- (1) In section 16(4) of FA 2001 (rate of aggregates levy), for “£1.95” substitute “ £2 ”.
- (2) The amendment made by subsection (1) has effect in relation to aggregate subjected to commercial exploitation on or after 1 April 2009.

## **21 Carbon reduction trading scheme: charges for allocations**

- (1) The Treasury may impose charges by providing for carbon reduction trading scheme allowances to be allocated in return for payment.
- (2) The charges may only be imposed by regulations.
- (3) The regulations may make any other provision about allocations of allowances which the Treasury consider appropriate, including (in particular)—
- (a) provision as to the imposition of fees, and as to the making and forfeiting of deposits, in connection with participation in the allocations,
  - (b) provision as to the persons by whom allocations are to be conducted,
  - (c) provision for allocations to be overseen by an independent person appointed by the Treasury,
  - (d) provision for the imposition and recovery of penalties for failure to comply with the terms of a scheme made under subsection (4),
  - (e) provision for and in connection with the recovery of payments due in respect of allowances allocated (including provision as to the imposition and recovery of interest and penalties), and
  - (f) provision conferring rights of appeal against decisions made in allocations, the forfeiting of deposits and the imposition of penalties (including provision specifying the person, court or tribunal to hear and determine appeals).
- (4) The Treasury may make schemes about the conduct and terms of allocations (to have effect subject to any regulations under this section); and schemes may in particular include provision about—
- (a) who may participate in allocations,
  - (b) the allowances to be allocated, and
  - (c) where and when allocations are to take place.
- (5) In this section—
- “carbon reduction trading scheme allowances” means tradeable allowances that—
    - (a) are provided for in a relevant trading scheme, and
    - (b) represent the right to carry on a specified amount of activities that consist of the emission of greenhouse gas or that cause or contribute, directly or indirectly, to such emissions;
  - “relevant trading scheme” means a trading scheme that—
    - (a) is made under Part 3 of the Climate Change Act 2008,
    - (b) applies to persons by reference to their consumption of electricity (whether or not by reference to other matters as well), and

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- (c) applies only to persons who consume electricity—
    - (i) for business or charitable purposes, or
    - (ii) for the performance of functions of a public nature,
      - (whether or not they also consume electricity for other purposes);
  - “specified” means specified in the relevant trading scheme.
- (6) Regulations under this section are to be made by statutory instrument.
- (7) A statutory instrument containing the first regulations under this section may not be made unless a draft of the regulations has been laid before, and approved by a resolution of, the House of Commons.
- (8) Any other statutory instrument containing regulations under this section is subject to annulment in pursuance of a resolution of the House of Commons unless a draft of the regulations has been laid before, and approved by a resolution of, that House.

**Changes to legislation:**

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

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

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

- Sch. 41 para. 6(1A) inserted by [2015 c. 11 Sch. 20 para. 10\(2\)](#)
- Sch. 41 para. 6A(A1)(1) substituted for Sch. 41 para. 6A(1) by [2015 c. 11 Sch. 20 para. 11\(2\)](#)