



Finance Act 1962

1962 CHAPTER 44

PART I

CUSTOMS, EXCISE AND PURCHASE TAX

6 Purchase tax

- (1) Part I of the Second Schedule to the Finance Act, 1958, shall be amended as follows (but subject to any new order of the Treasury under section twenty-one of the Finance Act, 1948), that is to say:—
- (a) as from the tenth day of April, nineteen hundred and sixty-two, the rates of tax shall be amended by substituting for any reference to a rate of fifty per cent. a reference to a rate of forty-five per cent., and for any reference to a rate of twelve and a half per cent. or of five per cent. a reference to a rate of ten per cent. and accordingly as from the passing of this Act the Groups mentioned in Part I of the Eighth Schedule to this Act shall be amended as there specified; and
 - (b) as from the eighth day of May, nineteen hundred and sixty-two, the Groups set out in Part II of the Eighth Schedule to this Act shall be added after Group 33.
- (2) In relation to chargeable goods, being beverages or products for the preparation of beverages, section twenty-five of the Finance (No. 2) Act, 1940 (which provides that certain appropriations or applications of chargeable goods for purposes there mentioned shall be treated as chargeable purchases), shall apply as if the production of beverages which are not purchase tax goods (other than spirits, beer or British wine produced under the authority of the appropriate excise licence) were among the purposes specified in paragraphs (a) to (c) of subsection (1) of that section, and shall so apply with effect from the eighth day of May, nineteen hundred and sixty-two; and references to that section in any other enactment shall have effect accordingly.

In this subsection " purchase tax goods " means goods of any description from time to time comprised in Part I of the Second Schedule to the Finance Act, 1958.

- (3) For the purposes of the enactments relating to purchase tax any person who in the United Kingdom makes, or applies any process in the course of the making of, goods

Status: This is the original version (as it was originally enacted).

for use in or in connection with a business carried on by him shall be treated as carrying on a business of making those goods, and shall accordingly be deemed to be a manufacturer; and in the case of any such person his appropriation or application of the goods to that use shall, for the purposes of section twenty-three of the Finance (No. 2) Act, 1940, and of any other enactment relating to registration for purchase tax purposes, be considered as a sale in the course of his business at a price equal to the wholesale value of the goods.

- (4) Any drug or medicine comprised in Group 33 in Part I of the Second Schedule to the Finance Act, 1958 (or any Group substituted therefor by order of the Treasury under section twenty-one of the Finance Act, 1948) shall be exempt from all charge to purchase tax, if so directed by the Commissioners of Customs and Excise:

Provided that—

- (a) any direction under this subsection shall cease to have effect, if not previously revoked, on the expiration of fifteen months from the giving of the direction or on the coming into force of an order of the Treasury with respect to the exemption from tax of drugs and medicines so comprised, not being an order made before or within six weeks after the giving of the direction; and
 - (b) the Commissioners shall not give such a direction except on the recommendation of the Minister of Health or of the Minister of Agriculture, Fisheries and Food.
- (5) Where an amount is due from any person on account of purchase tax, but by reason of his failure to keep or to produce or furnish to the proper officer the accounts, records or other documents required by or under the enactments relating to the tax, or to take or permit to be taken any other step which he is so required to take or permit to be taken, or by reason of the accounts, records or other documents kept, produced or furnished being materially incomplete or inaccurate, the Commissioners of Customs and Excise are unable to ascertain the amount of tax properly due from him, the Commissioners may estimate the amount of tax due, and (without prejudice to the recovery of the full amount due or to the making of a further estimate in that behalf) the amount estimated shall be recoverable as tax properly due unless in any action relating thereto the person liable proves the amount properly due, and that amount is less than the amount estimated.
- (6) An estimated sum for tax due from a person in respect of a period before the coming into force of subsection (5) above may be recovered under that subsection notwithstanding any proceedings taken before that subsection comes into force for the recovery of that tax on an estimate made by the Commissioners of the amount due, or any order made, judgment given or other thing done after the ninth day of April, nineteen hundred and sixty-two, in or in relation to any such proceedings; but save as aforesaid that subsection shall not affect any order or judgment made or given before that subsection comes into force.