



# Finance Act 1934

## 1934 CHAPTER 32

### PART I

#### CUSTOMS AND EXCISE

#### **1 Alteration of customs duties on colonial sugar, molasses, and c**

- (1) Subject as hereafter provided, the provisions of section eight of the Finance Act, 1925, and of section four of and the Second Schedule to the Finance Act, 1928, shall apply to sugar, molasses, glucose and saccharin consigned from and grown, produced or manufactured in a colony or other country to which section two of the Finance Act, 1932, applies as they apply to other sugar, molasses, glucose and saccharin being Empire products:

Provided that—

- (a) the customs duties in respect of sugar shown to the satisfaction of the Commissioners to have been consigned and grown, produced or manufactured as aforesaid, being sugar accompanied by a quota certificate, shall be at the rates specified in Part I of the First Schedule to this Act instead of at the rates which would otherwise have been chargeable; and
- (b) in the case of sugar and molasses produced in the United Kingdom from sugar on which there has been paid a customs duty at a rate so specified, Part II of the Second Schedule to the Finance Act, 1928, shall have effect as if for the tables set out therein there were substituted the tables set out in Part II of the First Schedule to this Act.
- (2) In this section the expression " quota certificate " in relation to sugar, means a certificate issued by the Secretary of State certifying that the sugar forms part of the quantity of sugar which may be imported from the colonies and other countries aforesaid at the rates specified in Part I of the First Schedule to this Act, but the quantity of sugar in respect of which such certificates are issued shall not in the financial year ending on the thirty-first day of March, nineteen hundred and thirty-five, exceed three hundred and seventy-five thousand tons, and shall not in any subsequent financial year exceed three hundred and sixty thousand tons.

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- (3) This section shall be deemed to have had effect as from the eighteenth day of April, nineteen hundred and thirty-four.

## **2 Customs duties on hydrocarbon oils in refineries**

- (1) Where any dutiable hydrocarbon oils on which customs duty has not been paid are used in a refinery, the same customs duty shall be charged and the same rebate shall be allowed in respect thereof as would be chargeable or allowable on the importation of the like oils, except in respect of such quantity thereof as is shown to the satisfaction of the Commissioners to have been used for the purpose of generating heat, light or power for consumption in the refinery :

Provided that for the purpose of this subsection—

- (a) oils shall not be deemed to have been used by reason only that they have been subjected to a process of purification or blending; and
- (b) where oils are subjected to any process resulting in the conversion thereof into other oils or solid or semi-solid residues, such quantity thereof as is shown to the satisfaction of the Commissioners to have been so converted, or to have been wasted in the course of the process, shall not be deemed to have been used by reason only of its subjection to that process.
- (2) Nothing in the last foregoing subsection shall affect the provisions of subsection (5) of section two of the Finance Act, 1928, as to the charge of duty or allowance of rebate on oils delivered from a refinery, but where it appears to the Commissioners that a refinery-is not used primarily for the purpose of subjecting hydrocarbon oils to any such process as aforesaid, the Commissioners may, notwithstanding anything in the said subsection (5), require that customs duty shall be charged on the removal of such oils to that refinery instead of on their delivery therefrom and that any rebate allowable shall be allowed accordingly:

Provided that, where rebate has been allowed under this subsection on the removal of oils to a refinery and those oils are converted in the refinery into light oils, an amount equal to the rebate allowed on so much of those oils as appears to the Commissioners to have been so converted shall be paid on the delivery of the light oils from the refinery.

- (3) Paragraph (d) of subsection (1) of section three of the Finance Act, 1928 (which enables the Commissioners to make regulations regulating the manufacture and storage of hydrocarbon oils in a refinery) shall be amended by inserting the word " use " after the word " manufacture."
- (4) In this subsection the expression " refinery" has the meaning assigned to it by subsection (10) of section two of the Finance Act, 1928.
- (5) This section shall be deemed to have had effect as from the first day of May, nineteen hundred and thirty-four.

## **3 Measurement of artificially heated hydrocarbon oils for purpose of customs duty, and c**

- (1) Where any hydrocarbon oils having a temperature exceeding sixty degrees Fahrenheit are measured for the purpose of ascertaining the amount of customs duty chargeable or of the rebate or drawback allowable thereon, and the Commissioners are satisfied that the oils are artificially heated, duty shall be charged or rebate or drawback shall

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be allowed, as the case may be, on the number of gallons which, in the opinion of the Commissioners, the oils would have measured if the temperature thereof had been sixty degrees Fahrenheit:

Provided that this subsection shall not apply to light oils.

- (2) The foregoing provision of this section shall be deemed to have had effect as from the first day of May, nineteen hundred and thirty-four.
- (3) Subsection (4) of section six of the Finance Act, 1933 (which provides for the charging of duty on hydrocarbon oils by reference to tons or some other measure of quantity instead of by reference to gallons) shall cease to have effect.

#### **4 Increase of customs duty on arc-lamp carbons**

- (1) The customs duty chargeable on arc-lamp carbons under Part I of the Safeguarding of Industries Act, 1921, shall, instead of being at the rate of one shilling per pound weight, be at the rate of five shillings per pound weight in the case of carbons exceeding fourteen millimetres in diameter and seven shillings and sixpence per pound weight in the case of other carbons.
- (2) This section shall be deemed to have had effect as from the eighteenth day of April, nineteen hundred and thirty-four.

#### **5 Repeal of customs duty on insulin**

The customs duty chargeable on insulin and its salts under Part I of the Safeguarding of Industries Act, 1921, shall cease to be charged, and the Import Duties Act, 1932, shall have effect as if insulin and its salts were included in the First Schedule to that Act.

#### **6 Customs duty on patent leather**

- (1) There shall be charged on the importation into the United Kingdom of patent leather not forming part of another article, and of goods composed wholly of patent leather, a duty of customs equal to fifteen per cent. of the value of the goods :

Provided that this section shall not apply to any goods which fall within some class or description of goods on which an additional duty is for the time being chargeable under section three of the Import Duties Act, 1932, if the aggregate amount of the additional duty and the general ad valorem duty exceeds fifteen per cent. of the value of the goods.

- (2) The Ottawa Agreements Act, 1932, shall have effect as if the duty chargeable under this section were chargeable under section one of that Act:

Provided that subsection (2) of the said section one shall not apply in relation to the said duty, but the foregoing provisions of this section shall be deemed not to be in force at any time when the agreement between His Majesty's Government in the United Kingdom and His Majesty's Government in Canada, set out in Part I of the First Schedule to the said Act, is not in force within the meaning of that Act.

- (3) This section shall be deemed to have had effect as from the eighteenth day of April, nineteen hundred and thirty-four.

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## **7 Amendments as to drawback of duties under 22 and 23 Geo. 5. c. 8**

- (1) Paragraph (6) of subsection (2) of section nine of the Finance Act, 1932 (which provides that a scheme under that section may provide for the allowance of drawback in respect of such quantity of material as is specified in the scheme as being the average quantity thereof used in the manufacture of goods in the case of which drawback is to be allowed) shall have effect as if the words " in the manufacture of goods of that class or description " were omitted therefrom, and as if there were added at the end of the paragraph the words " in the manufacture either of all goods of that class or description, or of such goods of that class or description as are manufactured for export. "
- (2) The Treasury may, on the recommendation of the Committee, by order made under the said section nine revoke any scheme for the time being in force under that section.
- (3) For the purpose of paragraph 3 of the Second Schedule to the Import Duties Act, 1932 (which provides for the allowance of drawback on the exportation or shipment as stores of goods which are in the same state as that in which they were imported) and for the purpose of any order made (whether before or after the passing of this Act) under that Schedule, goods shall not be deemed to be in a different state from that in which they were imported by reason only that they have been subjected to a process which has not changed the form or character of the goods.
- (4) Proviso (a) to subsection (5) of section nineteen of the Import Duties Act, 1932, shall cease to have effect, but nothing in that subsection shall authorise the Treasury to revoke or vary any order made under subsection (3) of section one of that Act otherwise than for the purpose of giving effect to a recommendation of the Committee.

## **8 Amendment as to relief of certain machinery from duties under 22 and 23 Geo. 5. c. 8**

- (1) Where any consignment of machinery of a class or description to which section ten of the Finance Act, 1932, applies is imported after the commencement of this Act and, before the importation, an application has been made to the Committee for a recommendation under that section with respect to that consignment, the power of the Committee to make the recommendation, and of the Treasury to issue a licence in accordance therewith, shall be exercisable notwithstanding that duty has been paid in respect of the consignment before the recommendation is made or the licence is issued.
- (2) Subject to such conditions as the Commissioners may impose for the protection of the revenue, any duty paid under the Import Duties Act, 1932, on the importation of any such consignment of machinery shall be repaid, if the Commissioners are satisfied that a licence in respect of the consignment has subsequently been issued under the said section ten by virtue of this section.

## **9 Exemption of certain goods used in shipbuilding from duties under 22 and 23 Geo. 5. c. 8**

- (1) Where, on the importation of goods of any class or description specified in the Second Schedule to this Act, the Commissioners are satisfied that the goods are being imported for use in the construction or repair of the boilers or propelling machinery of ships or of the accessories of such boilers and machinery, the Commissioners shall, subject to such conditions as they may impose for securing that the goods are so used, allow them to be imported free of any duty chargeable under Part I of the Import "Duties Act, 1932.

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- (2) The Treasury may, on the recommendation of the Committee and after consultation with the Board of Trade, at any time by order direct that, as from such date as may be specified in the order, goods of any class or description so specified shall be added to or cease to be included in the said Schedule, and may by order make such amendments in the said Schedule as are consequential on any such direction as aforesaid.
- (3) Section nineteen of the Import Duties Act, 1932, shall apply to any order made under the last foregoing subsection as if it were an order made by the Treasury under the said Act.

## **10 Provisions as to goods becoming, or ceasing to be, exempt from general ad valorem duty**

- (1) When any goods, being goods chargeable with the general ad valorem duty and an additional duty, cease to be chargeable with the general ad valorem duty, or ceased before the commencement of this Act to be so chargeable, the order directing the additional duty to be charged shall cease to have effect, or be deemed to have ceased to have effect, as the case may be, as respects those goods:

Provided that nothing in this subsection shall affect the provisions of proviso (b) to subsection (4) of section one of the Ottawa Agreements Act, 1932.

- (2) Where the Committee recommend under section seven of the Finance Act, 1932, that goods of any class or description ought no longer to be exempted from the general ad valorem duty, they may at the same time, notwithstanding that the goods are not chargeable with the general ad valorem duty, recommend, subject to and in accordance with section three of the Import Duties Act, 1932, that an additional duty ought to be charged on the goods as soon as they cease to be so exempt, and the Treasury may make an order under the said section three accordingly.
- (3) The power conferred on the Treasury by subsection (3) of section one of the Import Duties Act, 1932, and by section seven of the Finance Act, 1932, to make orders directing that goods shall be added to, or shall cease to be included in, the First Schedule to the Import Duties Act, 1932, shall include power to make such amendments in the said Schedule as are consequential on any such direction as aforesaid.

## **11 Power of Committee to obtain information and disclosure of information**

- (1) Subsection (7) of section two of the Import Duties Act, 1932 (which gives the Committee certain powers of obtaining information) shall have effect as if the reference to the functions of the Committee included a reference to any functions which the Committee are required or authorised to discharge by any enactment for the time being in force, except section ten of the Finance Act, 1932.
- (2) Section ten of the Import Duties Act, 1932 (which restricts the disclosure of information), shall have effect as if references therein to the purposes of the said Act included references to the purposes of such of the provisions of any enactment for the time being in force as authorise or require the Committee, or any Government department on the recommendation or advice of the Committee, to discharge any functions.
- (3) Notwithstanding anything in the said section ten, it shall be lawful for the Committee to disclose to any Government department or to any person authorised by a Government

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department any information obtained by the Committee if and in so far as it appears to the Committee to be necessary for the purpose of obtaining further information from that department on a matter which the Committee are required or authorised to consider by any enactment for the time being in force.

## **12 Restriction of use of certain goods relieved from spirit duty**

(1) It shall not be lawful for any person to use otherwise than for a medical or scientific purpose—

- (a) a mixture on the importation of which, by virtue of subsection (1) of section four of the Finance Act, 1918, any duty in respect of spirits contained therein has been charged subject to a reduction; or
- (b) an article manufactured or prepared from spirits in respect of which a repayment of duty has been obtained, by virtue of subsection (2) of the said section four, on the ground that the article was recognised by the Commissioners as being used for medical purposes, or an article in respect of which he has paid or agreed to pay a price fixed on the assumption that such a repayment will be obtained on the ground aforesaid.;

unless he has obtained the consent of the Commissioners in writing to the use thereof otherwise than as aforesaid and has paid to them an amount equal to the difference between the duty charged and the duty which apart from the said section four would have been chargeable, or to the amount of duty repaid or repayable, as the case may be.

- (2) If any person uses a mixture or article in contravention of the last foregoing subsection, he shall be liable to an excise penalty equal to treble the value of the mixture or article used, and section sixty-nine of the Excise Management Act, 1827, shall apply accordingly, and any article in his possession in the preparation or manufacture of which the mixture or article has been used shall be forfeited.
- (3) The regulations made under the said section four may include regulations for carrying into effect the provisions of this section, and in particular for empowering the Commissioners to require any person carrying on any trade in which spirits, or mixtures or articles containing or prepared or manufactured with spirits, are in their opinion likely to be or to have been used, to give and verify particulars of the materials which he is using or has used and of any such mixtures or articles which he has sold, and to produce any books of account or other documents of whatever nature relating to any such materials, mixtures or articles.
- (4) In this section the expression "mixture" includes a preparation and a compound, and references to a mixture or article include references to any part of that mixture or article,

## **13 Power to warehouse British compounds in bottles**

Notwithstanding anything in subsection (5) of section ninety-five of the Spirits Act, 1880, any British compounds which may under that section be warehoused for home consumption may, subject to such regulations as the Commissioners may prescribe, be warehoused, whether for home consumption or for exportation or for ship's stores, in bottles instead of in casks, and the said regulations may apply the provisions of that section which relate to warehousing in casks subject to such modifications as the Commissioners think necessary to adapt them to warehousing in bottles.

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#### **14 Relief in case of excessive assessment for purpose of excise licence**

- (1) The Commissioners may, on an application made for the purpose, reduce an assessment of the annual value of any premises made in respect of the year in which the application is made or the last preceding year or both those years under paragraph (b) of subsection (1) of section twelve of the Finance Act, 1924, or under subsection (2) of that section, notwithstanding that the time for appealing against the assessment has expired, if they are satisfied that the assessment was excessive having regard to circumstances which were not brought to their notice at the time when it was made.
- (2) Where an assessment in respect of any year is reduced under this section, so much of any duty paid thereunder as exceeds the duty which would have been payable under the assessment as reduced shall be refunded.

#### **15 Amendment of 13 and 14 Geo. 5. c. 14, s. 13 (4)**

Notwithstanding anything in subsection (4) of section thirteen of the Finance Act, 1923, where a person is charged before a court of summary jurisdiction in Northern Ireland with an offence under the Illicit Distillation (Ireland) Act, 1831, as amended by any other enactment, or under any such amending enactment, it shall not be necessary, for the purpose of exercising the powers of the court to remand him on bail or in custody, for the court to be constituted of more than one resident magistrate.

#### **16 Provision for preventing smuggling in Northern Ireland**

- (1) If any goods, being goods of a class or description in respect of which a duty of customs is chargeable on importation from the Irish Free State, are imported from the Irish Free State into Northern Ireland in any manner whatsoever without payment of that duty, the goods shall be forfeited, but without prejudice to any customs penalty which may have been incurred in respect of the importation.
- (2) If goods of any such class or description as aforesaid are found in the possession or control of any person within the prescribed area in Northern Ireland, an officer of customs and excise may require that person to furnish proof that the goods have not been imported from the Irish Free State or that customs duty has been paid thereon, and if such proof is not furnished to the satisfaction of the Commissioners, the goods shall be deemed, for the purpose of any proceedings for the forfeiture of them or for any customs penalty in respect of them, to have been imported as aforesaid without payment of duty, unless the contrary is proved.
- (3) In this section the reference to an officer of customs and excise includes a reference to any person having by law in Northern Ireland the powers of such an officer, and the expression "prescribed area" means such an area adjoining the land boundary of Northern Ireland as may be prescribed by regulations made by the Commissioners under section four of the Irish Free State (Consequential Provisions) Act, 1922.

#### **17 Payment for excise licences by cheque**

- (1) Any Government department or local authority having power to grant a licence on which an excise duty is payable may, if they think fit, grant the licence upon receipt of a cheque for the amount of the duty payable thereon.
- (2) Where a licence is granted as aforesaid to any person and the cheque is subsequently dishonoured, the licence shall be void as from the time when it was granted, and the

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department or authority who granted it shall send to that person, by registered letter addressed to him at the address given by him when applying for the licence, a notice requiring him to deliver up the licence to that department or authority within the period of seven days from the date when the notice was posted, and, if that person fails to comply with the requirement within that period, he shall be liable to an excise penalty of fifty pounds.

## **18 Amendments as to licences for mechanically propelled vehicles**

- (1) As from the first day of January, nineteen hundred and thirty-five, section thirteen of the Finance Act, 1920 (which imposes duties of excise in respect of mechanically propelled vehicles) shall have effect as if the paragraphs set out in Parts I and II of the Third Schedule to this Act were respectively substituted for paragraphs 1 and 6 of the Second Schedule to that Act and as if there were inserted at the end of paragraph 5 of the said Second Schedule the following provision :—

“For the purposes of this paragraph the expression ' trailer ' shall not include an appliance not exceeding five hundredweight in weight which is constructed and used solely for the purpose of distributing on the road loose untreated gritting material.”

- (2) Nothing in the last foregoing subsection shall affect the paragraph inserted at the end of the said Second Schedule by subsection (1) of section six of the Finance Act, 1930, and that paragraph shall be numbered 7.
- (3) Where a licence taken out for a mechanically propelled vehicle is surrendered on or after the first day of August, nineteen hundred and thirty-four, the fees chargeable under subsection (1) of section eighteen of the Finance Act, 1924, in respect of the surrender shall not be charged.