



Finance Act 1946

1946 CHAPTER 64

PART I

CUSTOMS AND EXCISE.

1 Extension of key industry duty.

Part I of the Safeguarding of Industries Act, 1921 (which, as extended by section ten of the Finance Act, 1926, and section five of the Finance Act, 1936, is limited to expire on the nineteenth day of August, nineteen hundred and forty-six) shall continue in force for a further period of two years from the said day.

2 Coffee and chicory extracts, etc.

- (1) Extracts, essences or other concentrations of coffee or chicory and admixtures of extracts, essences or other concentrations of coffee or chicory shall not be included in the Table of Prohibitions and Restrictions Inwards contained in section forty-two of the Customs Consolidation Act, 1876, and accordingly in the entry relating to extracts, essences and other concentrations in the said Table the words " coffee, chicory or " shall be omitted.
- (2) There shall be charged on preparations which consist wholly or partly of extracts, essences or other concentrations of coffee or chicory imported into the United Kingdom duties of customs at the following rates, that is to say—
 - preparations not being Empire products—the lb. (dry weight)—9d.
 - preparations being Empire products—the lb. (dry weight) —7 ½ d

In this subsection the expression " Empire product " has the same meaning as in subsection (1) of section eight of the Finance Act, 1919.

- (3) Subsection (1) of section seven of the Finance Act, 1901 (which requires duty to be charged in certain cases on goods containing articles liable to duties of customs in respect of each such article at the rates of duty respectively applicable thereto) shall not apply to the preparations mentioned in subsection (2) of this section, and where any such preparation imported into the United Kingdom contains, as a part or ingredient

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thereof, any article which is liable to customs duty apart from the said subsection (2), the preparation shall, unless the Treasury otherwise direct, be charged with the duty chargeable under the said subsection (2) or with the duty chargeable in accordance with the Schedule to the Customs Tariff Act, 1876, whichever is the higher.

- (4) The excise duty chargeable under subsection (3) of section three of the Finance Act, 1924, on articles or substances prepared or manufactured for the purpose of being in imitation of, or in any respect to resemble, or to serve as a substitute for, coffee or chicory, and on any mixture of any such article or substance with coffee or chicory, shall cease to be chargeable.
- (5) This section shall have effect as from the first day of September, nineteen hundred and forty-six.

3 Drawback on rock cocoa, etc., used in manufacture of theobromine.

- (1) Subject to the provisions of this section, where goods in the manufacture or preparation of which in the United Kingdom any cocoa or cocoa butter or cocoa husks and shells has or have been used are delivered to or appropriated by a person for use in the manufacture of theobromine in premises authorised by the Commissioners to be used for the purpose, the like drawback shall be paid as would, under subsection (2) of section two of the Finance Act, 1911, be paid on the exportation of those goods ; and no drawback shall be paid under the said subsection (2) on the exportation or shipment for use as ships' stores of any theobromine.
- (2) The Commissioners may make regulations prescribing conditions for the protection of the revenue which must be fulfilled if drawback is to be payable under subsection (1) of this section, and regulating the manner in which any goods in respect of which such drawback has been paid and not repaid, and any residues resulting from the manufacture of theobromine therefrom, are to be dealt with and disposed of.
- (3) Where any such conditions prescribed as aforesaid are contravened or not complied with, the drawback shall not be paid, or, if paid, shall be repaid, and where any person contravenes or fails to comply with any of the provisions of the regulations relating to the manner in which any goods or residues are to be dealt with or disposed of, he shall be liable to a customs penalty of one hundred pounds, and the goods or residues in question shall be forfeited.

4 Imperial preference for sugar, etc.

Subsection (1) of section seven of the Finance Act, 1926 (which, as amended by subsection (1) of section two of the Finance Act, 1944, provides, inter alia, for the stabilisation of rates of imperial preference in the case of duties of customs charged on sugar, molasses, glucose and saccharin during a period ending with the thirty-first day of August, nineteen hundred and forty-six) shall, in so far as it relates to the said duties, have effect as if the said period were extended so as to expire at the end of August, nineteen hundred and forty-eight.

5 Rebate on light oils used in refineries for producing gas.

Where by virtue of subsection (2) of section eight of the Finance (No. 2) Act, 1945, customs duty is charged on light oils used in a refinery for producing gas the same rebate shall be allowed in respect thereof as would be allowable if those oils were not light oils.

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6 Relief from duty on imported legacies, etc.

- (1) Where it is shown to the satisfaction of the Commissioners that any goods imported after the passing of this Act were chattels or corporeal moveables belonging to or in the possession of a deceased person which had been used before his death and were not at the time of his death used or held by him for business purposes, and that the importation thereof is by or for a person resident in the United Kingdom who upon that death becomes entitled thereto by virtue of any testamentary disposition or intestacy, the Commissioners may remit or repay any customs duty which would otherwise be payable on the importation thereof.
- (2) This section shall be deemed to have had effect as from the tenth day of April, nineteen hundred and forty-six.

7 Reduction of entertainments duty on certain games and sports, etc.

- (1) In subsection (3) of section one of the Finance Act, 1935. (which provides for reduced rates of entertainments duty in the case of stage plays and certain other entertainments) for the words " a circus or a travelling show " there shall be substituted the words " a circus, a travelling show, a menagerie or any game or sport other than the racing or trial of speed of animals, vehicles, motor vessels or aircraft. "
- (2) At the end of subsection (4) of the said section one, there shall be added the words " the reference to the racing or trial of speed of vehicles does not include a reference to cycle races where the cycles are propelled by the riders themselves. "
- (3) This section shall apply to entertainments held on or after the fifth day of May, nineteen hundred and forty-six, and where duty has been charged on any payment for admission to an entertainment held on or after the said fifth day of May at the rate which would be applicable to the payment apart from the provisions of this section, the person by whom the duty was paid shall be entitled to repayment of the difference between the amount of duty paid and the - amount of duty chargeable on the payment by virtue of the provisions of this section.

8 Entertainments duty on certain entertainments provided by bodies which are not profit making.

- (1) Entertainments duty within the meaning of section one of the Finance (New Duties) Act, 1916, shall not be charged on payments for admission to any entertainment which consists of one or more of the following items, that is to say—
 - (a) a stage play ;
 - (b) a ballet (whether a stage play or not) ;
 - (c) a performance of music (whether vocal or instrumental) ;
 - (d) the exhibition of a cinematograph film ;
 - (e) a lecture ;
 - (f) a recitation ;
 - (g) an exhibition of artistic work ;
 - (h) an industrial exhibition ;
 - (i) an Eisteddfod,

where the Commissioners are satisfied that the entertainment is provided by a society, institution or committee which is not conducted or established for profit and that

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the aims, objects and activities of the society, institution or committee are partly educational.

- (2) In paragraph (d) of subsection (5) of section one of the Finance (New Duties) Act, 1916 (which provides amongst other things for the exemption from entertainments duty of entertainments provided for partly educational or partly scientific purposes by a society, institution or committee not conducted or established for profit) the words " partly educational or " are hereby repealed.
- (3) In subsection (3) of section one of the Finance Act, 1935, after the words ". a performance of music (whether vocal or instrumental) " there shall be inserted the words " an Eisteddfod. "
- (4) This section shall be deemed to have had effect as from the tenth day of April, nineteen hundred and forty-six.

9 Passenger aircraft licences for sale of intoxicating liquor and tobacco.

- (1) After section C of the First Schedule to the Finance (1909-10) Act, 1910 (being the section relating to retailers' licences) there shall be inserted the following section :—

“CC—PASSENGER AIRCRAFT LICENCES

Licence to be taken out annually in respect of a passenger aircraft by the owner of the aircraft or his agent.

Duty of 1l.

Provisions applicable to Passenger Aircraft Licences.

- 1 A passenger aircraft licence granted in respect of any aircraft authorises the sale by retail while the aircraft is engaged in carrying passengers of any intoxicating liquor in the aircraft to passengers for consumption in the aircraft.
 - 2 A passenger aircraft licence authorises the sale of tobacco as well as the sale of intoxicating liquor.
 - 3 In the event of the transfer of the aircraft to some other owner, the licence granted under this section shall cease to have effect as respects that aircraft, but may, in that event and in the event of the loss of the aircraft, be transferred on the application of the owner of the aircraft or his agent, so as to attach to some other aircraft belonging to the owner.
 - 4 Any licence granted under this section shall be carried in the aircraft.
 - 5 For the purpose of giving jurisdiction, any sale of liquor in an aircraft shall be deemed to have taken place either where it has actually taken place or in any place in which the aircraft may be found.”
- (2) In section fifty-two of the said Act, after the definition of " registered club" there shall be inserted the following definition :—

“The expression ' passenger aircraft ' means an aircraft of any description employed for the carriage and conveyance of passengers which is flown from any place in the United Kingdom to any other place in the United Kingdom, or is flown from and to the same place in the United Kingdom on the same day.”

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- (3) At the end of subsection (2) of section one hundred and eleven of the Licensing (Consolidation) Act, 1910 (which exempts from the provisions of that Act the sale of intoxicating liquor in certain circumstances) there shall be added the following paragraph :—
- “(n) the sale of intoxicating liquor for consumption in a passenger aircraft, being a sale authorised by a licence granted under the Finance (1909-10) Act, 1910, as amended by the Finance Act, 1946.”
- (4) It is hereby declared that the Parliament of Northern Ireland has power to make laws for purposes similar to the purposes of this section.

10 Continuation of relief under Finance Act, 1942, ss. 13 and 14.

Sections thirteen and fourteen of the Finance Act, 1942 (which authorise reductions in the duty on certain licences for the sale of intoxicating liquor by reason of war circumstances) shall have effect and be deemed always to have had effect as if in the said section thirteen and in subsection (4) of the said section fourteen for the words " granted for a year beginning in the year nineteen hundred and forty-two or granted for any later year at the beginning of which the Emergency Powers (Defence) Act, 1939, is still in force " there were substituted the words " granted for a year beginning in the year nineteen hundred and forty-two or granted for any year beginning before the beginning of the first year of revaluation (within the meaning of the Income Tax Acts) after the passing of this Act. "

11 Allowance for artificial silk used in tyres.

Where it is shown to the satisfaction of the Commissioners that any yarn or tissue, containing artificial silk on which a duty of customs or excise has been paid, has been used in the manufacture of tyres, and that the manufacture of those tyres was completed on or after the first day of October, nineteen hundred and forty-six, they shall, subject to such conditions as they may impose for the protection of the revenue, pay to the manufacturer of those tyres out of the sums received by them on account of duties of customs and excise, an allowance of sixpence on every pound weight of such quantity of artificial silk on which a duty of customs or excise has been paid as is, in the opinion of the Commissioners, contained in the yarn or tissue so used.

12 Provisions for relief from duty on liquor licences, and suspension of justices' licences, where licensed premises compulsorily acquired.

- (1) Subsections (1) to (3) of section thirteen of the Finance Act, 1935 (which relate to the repayment or remission of excise duty on licences for the sale of intoxicating liquor taken out under Part II of the Finance (1909-10) Act, 1910, where a business has been temporarily discontinued by reason, among other things, of the licensed premises having been closed with a view to their demolition or alteration) shall have effect where the holder of such a licence satisfies the Commissioners that a business has been temporarily discontinued (whether before or after the passing of this Act) by reason of the compulsory acquisition, or the proposed compulsory acquisition, of the licensed premises.
- (2) Where the Commissioners are satisfied, on an application made to them for a certificate under this subsection,—

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- (a) that a business has been temporarily discontinued (whether before or after the commencement of this Act) by reason of the compulsory acquisition, or the proposed compulsory acquisition, of licensed premises in which the business was carried on, and .
- (b) that the removal of the licence to other premises, not being temporary premises, reasonably satisfactory to the person by whom the business was carried on would be prevented by the restriction on removals imposed by subsection (1) of section six of the Licensing Planning (Temporary Provisions) Act, 1945, or by it being otherwise impracticable to provide such other premises as aforesaid,

they shall certify accordingly, and where a certificate is given under this subsection as respects a business carried on in any premises the justices' licence granted in respect thereof which was in force immediately before the discontinuance shall be, and be deemed to have been, in suspense by virtue of this section from the time of the discontinuance until the time when it is again in force for all purposes, or extinguished, by virtue of the provisions in that behalf of the First Schedule to this Act.

- (3) Where a licence granted in respect of any premises is in suspense under section ten of the Finance Act, 1942 (which provides for the suspension of a licence where a business is discontinued owing to war circumstances), and the Commissioners are satisfied, on an application being made to them for a certificate under this subsection,—
 - (a) that the premises have been compulsorily acquired, whether before or after the commencement of this Act, or are proposed to be compulsorily acquired, and
 - (b) that the removal of the licence as mentioned in paragraph (b) of the last foregoing subsection would be prevented as mentioned in that paragraph,

they shall certify accordingly, and as from the giving of a certificate under this subsection the licence shall be deemed to be in suspense by virtue of this section until the time when it is again in force for all purposes, or extinguished, by virtue of the provisions in that behalf of the First Schedule to this Act, and shall not be deemed as from the giving of the certificate to be in suspense under the said section ten.

- (4) While a licence is in suspense by virtue of this section it may be transferred or removed in accordance with the provisions in that behalf of the Licensing (Consolidation) Act, 1910, the Licensing Planning (Temporary Provisions) Act, 1945 and the First Schedule, to this Act, but shall not be, and shall be deemed not to have been, in force for any purpose except so far as is requisite for giving effect to those provisions and the other provisions of the said First Schedule.
- (5) In this section and in the said First Schedule—
 - (a) references to compulsory acquisition of premises include references to acquisition by agreement by an authority or persons, and for a purpose, such that the authority or persons could be authorised to acquire the premises compulsorily ; and
 - (b) references to premises include references to the site thereof, and references to a licence granted for premises in any district or area include references to a licence granted for premises the site of which is in that district or area;

and in the said First Schedule the expression " the principal section " means this section.

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13 Provisions for relief from duty on liquor licences and suspension of certificates granted under the Licensing (Scotland) Act, 1903, where premises compulsorily acquired.

- (1) The provisions of section ten of the Finance Act, 1942, and of Part II of the Sixth Schedule to that Act with regard to relief from duty on liquor licences and the suspension of certificates as defined in Part VII of the Licensing (Scotland) Act, 1903, in cases where the holders have temporarily discontinued business by reason of war circumstances, shall apply in like manner in any case where the holder of such a certificate has temporarily discontinued business by reason of the compulsory acquisition or proposed compulsory acquisition of the premises specified in the certificate, subject however to the following and any other necessary modifications :—
 - (a) for any reference to the passing of the said Act of 1942 there shall be substituted a reference to the passing of this Act ;
 - (b) for any reference to war circumstances there shall be substituted a reference to circumstances arising out of the compulsory acquisition or proposed compulsory acquisition of the premises ;
 - (c) reference to destruction of or damage to premises and to certification that war circumstances includes such destruction or damage shall be omitted ;
 - (d) paragraph 7 of Part II of the aforesaid Schedule shall not apply and paragraph 10 thereof shall have effect as if for the reference to premises of which possession has been taken there were substituted a reference to premises compulsorily acquired or proposed to be compulsorily acquired
- (2) Any reference in the last foregoing subsection to compulsory acquisition of premises includes a reference to acquisition by agreement by any authority or person and for a purpose such that the authority or person could be authorised to acquire the premises compulsorily.

14 Excise duty on mechanically propelled vehicles.

- (1) Section thirteen of the Finance Act, 1920 (which imposes excise duties on mechanically propelled vehicles) shall have effect as respects vehicles of an unladen weight exceeding twelve cwt. and not exceeding one ton as if the respective rates of duty specified in the Second Schedule to this Act were substituted—
 - (a) for the rates of duty specified in sub-paragraphs (a), (b) and (c) of paragraph 5 of the Second Schedule to the Finance Act, 1920, in respect of goods vehicles of the descriptions therein mentioned ; and
 - (b) for the rate of duty specified in Part III of the Second Schedule to the Finance (No. 2) Act, 1945, in respect of local authorities' watering vehicles not electrically propelled (but not-including the additional duty payable in respect thereof if used for drawing a trailer).
- (2) This section shall come into operation on the first day of January, nineteen hundred and forty-seven.