



Provisional Collection of Taxes Act 1968

1968 CHAPTER 2

1 Temporary statutory effect of House of Commons resolutions affecting income tax, purchase tax or customs or excise duties.

- (1) This section applies only to income tax [^{F1}corporation tax ^{F2} . . .] [^{F3}value added tax [^{F4}, climate change levy,]] [^{F5}insurance premium tax,] [^{F6}landfill tax,] [^{F7}aggregates levy,] [^{F8}petroleum revenue tax] [^{F9}stamp duty reserve tax] . . . ^{F10}^{F11} ^{F12} . . . ^{F13} and duties of customs and excise

^{F14}(1A)

- (2) Subject to that, and to the provisions of subsections (4) to (8) below, where the House of Commons passes a resolution which—
- (a) provides for the renewal for a further period of any tax in force or imposed during the previous financial year (whether at the same or a different rate, and whether with or without modifications) or for the variation or abolition of any existing tax, and
 - (b) contains a declaration that it is expedient in the public interest that the resolution should have statutory effect under the provisions of this Act,

the resolution shall, for the period specified in the next following subsection, have statutory effect as if contained in an Act of Parliament and, where the resolution provides for the renewal of a tax, all enactments which were in force with reference to that tax as last imposed by Act of Parliament shall during that period have full force and effect with respect to the tax as renewed by the resolution.

In this section references to the renewal of a tax include references to its reimposition, and references to the abolition of a tax include references to its repeal.

- (3) The said period is—
- (a) in the case of a resolution passed in [^{F15}November or December] in any year, one expiring with [^{F15}5th May in the next calendar year];
 - [^{F16}(aa) in the case of a resolution passed in February or March in any year, one expiring with 5th August in the same calendar year; and]

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Changes to legislation: There are currently no known outstanding effects for the Provisional Collection of Taxes Act 1968, Section 1. (See end of Document for details)

- (b) in the case of any other resolution, one expiring at the end of four months after the date on which it is expressed to take effect or, if no such date is expressed, after the date on which it is passed.
- (4) A resolution shall cease to have statutory effect under this section unless within the next [^{F17}thirty] days on which the House of Commons sits after the day on which the resolution is passed—
- (a) a Bill renewing, varying or, as the case may be, abolishing the tax is read a second time by the House, or
- (b) a Bill is amended by the House [^{F18}in committee or on Report, or by any Standing Committee of the House] so as to include provision for the renewal, variation or, as the case may be, abolition of the tax.
- (5) A resolution shall also cease to have statutory effect under this section if—
- (a) the provisions giving effect to it are rejected during the passage of the Bill containing them through the House, or
- (b) an Act comes into operation renewing, varying or, as the case may be, abolishing the tax, or
- (c) Parliament is dissolved or prorogued.
- (6) Where, in the case of a resolution providing for the renewal or variation of a tax, the resolution ceases to have statutory effect by virtue of subsection (4) or (5) above, or the period specified in subsection (3) above terminates, before an Act comes into operation renewing or varying the tax, any money paid in pursuance of the resolution shall be repaid or made good, and any deduction made in pursuance of the resolution shall be deemed to be an unauthorised deduction.
- (7) Where any tax as renewed or varied by a resolution is modified by the Act renewing or varying the tax, any money paid in pursuance of the resolution which would not have been payable under the new conditions affecting the tax shall be repaid or made good, and any deduction made in pursuance of the resolution shall, so far as it would not have been authorised under the new conditions affecting the tax, be deemed to be an unauthorised deduction.
- (8) When during any session a resolution has had statutory effect under this section, statutory effect shall not be again given under this section in the same session to the same resolution or to a resolution having the same effect.

Textual Amendments

- F1** Words in s. 1(1) inserted (27.7.1993) with application in relation to resolutions passed after that day) by [1993 c. 34, s. 205\(2\)\(a\)\(7\)](#).
- F2** Words in s. 1(1) repealed (31.7.1998 with effect in relation to distributions made on or after 6.4.1999) by [1998 c. 36, ss. 31, 165, Sch. 3 para. 1\(2\)\(3\), Sch. 27 Pt. III\(2\)](#)
- F3** Words inserted by [Value Added Tax Act 1983 \(c. 55, SIF 40:2\), s. 50, Sch. 9 para. 1](#)
- F4** Words in s. 1(1) inserted (28.7.2000) by [2000 c. 17, s. 30, Sch. 7 para. 1](#)
- F5** Words in s. 1(1) inserted (3.5.1994) by [1994 c. 9, s. 64, Sch. 7 Pt. VI para. 33](#)
- F6** Words in s. 1(1) inserted (31.7.1998) by [1998 c. 36, s. 148\(1\)](#)
- F7** Words in s. 1(1) inserted (11.5.2001) by [2001 c. 9, s. 49\(1\)](#)
- F8** Words inserted by [Oil Taxation Act 1975 \(c. 22, SIF 63:1\), s. 11](#)
- F9** Words inserted by [Finance Act 1986 \(c. 41, SIF 99:7\), s. 86\(3\)](#)
- F10** The entry which was inserted by [Finance Act 1972 \(c. 41, SIF 99:3\), s. 1\(5\)](#) fell on the repeal of s. 1(5) by [Value Added Tax Act 1983 \(c.55, SIF 40:2\), s. 50\(2\), Sch. 11](#)

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- F11** Words in s. 1(1) (which were inserted by **Car Tax Act 1983 (c. 53), s.10(1)**) repealed (27.7.1993 with application in relation to resolutions passed after that day) by 1993 c. 34, ss. 205(2)(b)(7), 213, **Sch. 23 Pt. VI**.
- F12** The entry which was inserted by **Finance Act 1972 (c. 41, SIF 99:3), s. 52(7), Sch. 7 para. 2(4)** fell on the repeal of that Schedule 7 by **Car Tax Act 1983 (c.53, SIF 40:2), s. 10(4), Sch. 3**
- F13** Words repealed by **Finance Act 1972 (c. 41, SIF 99:3), s. 134, Sch. 28 Pt. I**
- F14** S. 1(1A) repealed (27.7.1993 with application in relation to resolutions passed after that day) by 1993 c. 34, ss. 205(3)(7), 213, **Sch. 23 Pt. VI**; s. 1(1A) repealed to the extent that it is not already repealed (31.1.2013) by **Statute Law (Repeals) Act 2013 (c. 2), s. 3(2), Sch. 1 Pt. 10** Group 1.
- F15** Words in s. 1(3)(a) substituted (27.7.1993 with application in relation to resolutions passed after that day) by 1993 c. 34, **s. 205(4)(7)**.
- F16** S. 1(3)(aa) inserted (31.7.1997) by 1997 c. 58, **s. 50(1)(3)**
- F17** Word in s. 1(4) substituted (27.7.1993 with application in relation to resolutions passed after that day) by 1993 c. 34, **s. 205(5)(7)**.
- F18** Words added by **Finance Act 1968 (c. 44), s. 60**

Modifications etc. (not altering text)

- C1** S. 1 extended by **Finance Act 1982 (c. 39, SIF 63:1), s. 139(5)** and by **Finance Act 1986 (c. 41, SIF 99:7), s. 86(3)**
- C2** S. 1(2)(b) applied (6.5.1999) by 1998 c. 46, **s. 73(5)** (with s. 126(3)-(11))
- C3** S. 1(6)(7) modified by **Value Added Tax Act 1983 (c. 55, SIF 40:2), s. 43(1)**
- C4** S. 1(6)(7) modified (1.9.1994) by 1994 c. 23, **ss. 90(1)(b), 101(1)**
S. 1(6)(7) modified (31.7.1998) by 1998 c. 36, **s. 148(2)(b)**

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Changes to legislation:

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