



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}capital gains tax,] [^{F2}corporation tax ^{F3} ...] [^{F4}, the bank levy] [^{F5}diverted profits tax,] [^{F6}the apprenticeship levy,] [^{F7}digital services tax,] [^{F8}plastic packaging tax,] [^{F9}value added tax] [^{F10}, climate change levy,] [^{F11}insurance premium tax,] [^{F12}landfill tax,] [^{F13}aggregates levy,] [^{F14}soft drinks industry levy,] [^{F15}petroleum revenue tax] [^{F16}, carbon emissions tax,] [^{F17}stamp duty reserve tax] [^{F18}stamp duty land tax,] [^{F19}annual tax on enveloped dwellings,] ^{F20} ... ^{F21} ... ^{F22} ... ^{F23} ... and duties of customs and excise

^{F24}(1A)

- (2) Subject to that, and to the provisions of subsections (4) to [^{F25}(9)] 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.

- [^{F26}(3) The period is one expiring at the end of seven months after the date on which the resolution is expressed to take effect or, if no such date is expressed, after the date on which the resolution is passed.]

^{F27}(3A)

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- (4) A resolution shall cease to have statutory effect under this section unless within the next [^{F28}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 [^{F29}in committee or on Report, or by any [^{F30}Public Bill 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 ^{F31}.... [^{F32}, or
 - (d) Parliament is prorogued.]
- [^{F33}(5A) Subsection (5B) applies in relation to a resolution instead of subsection (5)(d) where Parliament is prorogued at the end of a session if—
- (a) one of the following happens during the session—
 - (i) a Bill renewing, varying or, as the case may be, abolishing the tax is read a first time by the House, or
 - (ii) a Bill is amended by the House in Committee or on Report or by any Public Bill Committee of the House so as to include provision for the renewal, variation or, as the case may be, abolition of the tax,
 - (b) the Standing Orders or Sessional Orders of the House provide, or during the session the House orders, that proceedings on the Bill not completed before the end of the session shall be resumed in the next session, and
 - (c) proceedings on the Bill are not completed during the session.
- (5B) The resolution shall cease to have statutory effect under this section if, during the period of thirty sitting days beginning with the first sitting day of the next session, no Bill renewing, varying or, as the case may be, abolishing the tax is presented to the House.
- (5C) In subsection (5B) “ sitting day ” means a day on which the House sits.
- (5D) Where a Bill is amended as mentioned in subsection (5A)(a)(ii), it does not matter for the purposes of subsection (5A)(b) if the House orders as mentioned in subsection (5A)(b) before the amendment to the Bill is made.]
- (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 [^{F34}(4), (5) or (5B)] 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

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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.

[^{F35}(9) Subsection (8) does not apply where the later resolution is passed in a different calendar year from that in which the earlier resolution is passed.]

Textual Amendments

- F1** Words in s. 1(1) inserted (15.9.2016) by [Finance Act 2016 \(c. 24\)](#), [s. 92](#)
- F2** 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\(2\)\(a\)\(7\)](#).
- F3** 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\(2\)](#)
- F4** Words in s. 1(1) inserted (19.7.2011) by [Finance Act 2011 \(c. 11\)](#), [Sch. 19 para. 56](#)
- F5** Words in s. 1(1) inserted (with effect in accordance with s. 116(1) of the amending Act) by [Finance Act 2015 \(c. 11\)](#), [s. 115\(5\)](#)
- F6** Words in s. 1(1) inserted (15.9.2016) by [Finance Act 2016 \(c. 24\)](#), [s. 116](#) (with s. 117)
- F7** Words in s. 1(1) inserted (22.7.2020) by [Finance Act 2020 \(c. 14\)](#), [Sch. 10 para. 1](#)
- F8** Words in s. 1(1) inserted (10.12.2012 for specified purposes; 1.4.2022 in so far as not already in force and with effect in accordance with s. 85(1)(b) of the amending Act) by [Finance Act 2021 \(c. 26\)](#), [s. 85\(1\)\(a\)](#), [Sch. 15 para. 9](#); S.I. 2021/1409, regs. 3, 4
- F9** Words inserted by [Value Added Tax Act 1983 \(c. 55, SIF 40:2\)](#), s. 50, [Sch. 9 para. 1](#)
- F10** Words in s. 1(1) inserted (28.7.2000) by 2000 c. 17, s. 30, [Sch. 7 para. 1](#)
- F11** Words in s. 1(1) inserted (3.5.1994) by 1994 c. 9, s. 64, [Sch. 7 Pt. VI para. 33](#)
- F12** Words in s. 1(1) inserted (31.7.1998) by 1998 c. 36, [s. 148\(1\)](#)
- F13** Words in s. 1(1) inserted (11.5.2001) by 2001 c. 9, [s. 49\(1\)](#)
- F14** Words in s. 1(1) inserted (6.4.2018) by [Finance Act 2017 \(c. 10\)](#), [ss. 58, 61\(1\)](#); S.I. 2018/464, art. 2(e)
- F15** Words inserted by [Oil Taxation Act 1975 \(c. 22, SIF 63:1\)](#), [s. 11](#)
- F16** Words in s. 1(1) inserted (23.7.2020 for specified purposes) by [Finance Act 2019 \(c. 1\)](#), [ss. 76\(1\), 79\(1\)](#); 2020 c. 14, [Sch. 12 para. 8\(2\)](#)
- F17** Words inserted by [Finance Act 1986 \(c. 41, SIF 99:7\)](#), [s. 86\(3\)](#)
- F18** Words in s. 1(1) inserted (10.7.2003) by [Finance Act 2003 \(c. 14\)](#), [Sch. 18 para. 1](#)
- F19** Words in s. 1(1) inserted (17.7.2013) by [Finance Act 2013 \(c. 29\)](#), [Sch. 35 para. 1](#)
- F20** 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](#)
- F21** 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](#).
- F22** 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](#)
- F23** Words repealed by [Finance Act 1972 \(c. 41, SIF 99:3\)](#), s. 134, [Sch. 28 Pt. I](#)
- F24** 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.
- F25** Word in s. 1(2) substituted (30.12.2011) by [Finance Act 2011 \(c. 11\)](#), [s. 88\(2\)\(9\)](#) (with s. 88(10)); S.I. 2011/2934, art. 2
- F26** S. 1(3) substituted (30.12.2011) by [Finance Act 2011 \(c. 11\)](#), [s. 88\(3\)\(9\)](#) (with s. 88(10)); S.I. 2011/2934, art. 2
- F27** S. 1(3A) omitted (17.7.2014) by virtue of [Finance Act 2014 \(c. 26\)](#), [Sch. 38 para. 13](#)

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- F28** 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)**.
- F29** Words added by Finance Act 1968 (c. 44), s. **60**
- F30** Words in s. 1(4)(b) substituted (19.7.2007) by Finance Act 2007 (c. 11), s. **112(1)**
- F31** Words in s. 1(5)(c) omitted (30.12.2011) by virtue of Finance Act 2011 (c. 11), s. **88(4)(a)(9)** (with s. 88(10)); S.I. 2011/2934, art. 2
- F32** S. 1(5)(d) and word inserted (30.12.2011) by Finance Act 2011 (c. 11), s. **88(4)(b)(9)** (with s. 88(10)); S.I. 2011/2934, art. 2
- F33** S. 1(5A)-(5D) inserted (30.12.2011) by Finance Act 2011 (c. 11), s. **88(5)(9)** (with s. 88(10)); S.I. 2011/2934, art. 2
- F34** Words in s. 1(6) substituted (30.12.2011) by Finance Act 2011 (c. 11), s. **88(6)(9)** (with s. 88(10)); S.I. 2011/2934, art. 2
- F35** S. 1(9) inserted (30.12.2011) by Finance Act 2011 (c. 11), s. **88(7)(9)** (with s. 88(11)); S.I. 2011/2934, art. 2

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(1) modified (temp.) (with effect in accordance with Sch. 10 para. 43 of the amending Act) by Finance Act 2022 (c. 3), Sch. 10 para. 39 (as amended (5.1.2023) by The Finance Act 2022, Schedule 10 (Public Interest Business Protection Tax) (Substitution of Date) Regulations 2022 (S.I. 2022/1321), reg. 2(2))
- C3** S. 1(2)(b) applied (6.5.1999) by 1998 c. 46, s. **73(5)** (with s. 126(3)-(11))
- C4** S. 1(6)(7) modified by Value Added Tax Act 1983 (c. 55, SIF 40:2), s. **43(1)**
- C5** 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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