



Finance Act 1976

1976 CHAPTER 40

PART I

CUSTOMS AND EXCISE

1 ^{F1}

Textual Amendments

F1 S. 1 repealed by [Finance Act 1977 \(c. 36\)](#), s. 59(5), [Sch. 9 Pt. I](#)

2, 3. ^{F2}

Textual Amendments

F2 Ss. 2, 3 repealed by [Alcoholic Liquor Duties Act 1979 \(c. 4\)](#), s. 92(2), [Sch. 4 Pt. I](#)

4, 5. ^{F3}

Textual Amendments

F3 Ss. 4, 5, 6(1)–(5), 7 repealed by [Tobacco Products Duty Act 1979 \(c. 7\)](#), s. 11(1), [Sch. 2](#)

6 (1) ^{F4}

(6) ^{F5}

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Textual Amendments
F4 Ss. 4, 5, 6(1)–(5), 7 repealed by Tobacco Products Duty Act 1979 (c. 7), s. 11(1), **Sch. 2**
F5 S. 6(6) repealed by Excise Duties (Surcharges or Rebates) Act 1979 (c. 8), s. 4(3), **Sch. 2**

7 F6

Textual Amendments
F6 Ss. 4, 5, 6(1)–(5), 7 repealed by Tobacco Products Duty Act 1979 (c. 7), s. 11(1), **Sch. 2**

8 F7

Textual Amendments
F7 S. 8 repealed with savings by Finance Act 1977 (c. 36), ss. 1(6), 59(5), **Sch. 9 Pt. II**

9, 10. F8

Textual Amendments
F8 Ss. 9, 10 repealed by Hydrocarbon Oil Duties Act 1979 (c. 5), s. 28(2), **Sch. 7**

Vehicles excise duty

11 Information about goods vehicles and registration of trailers.

- (1)
- (2)
- (3)
- ^{F9}(4)
- ^{F10}(5)

Textual Amendments
F9 S. 11(1)–(4) repealed (1.9.1994) by ss. 65, 66(1), Sch. 5 Pt. I (with s. 57(4))
F10 S. 11(5) repealed (3.5.1994 with effect as mentioned in Sch. 3 of the repealing Act) by 1994 c. 9, s. 258, **Sch. 26 Pt. I(3)**

^{F11}12

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Textual Amendments

F11 S. 12 repealed (1.9.1994) by 1994 c. 22, s. 65, **Sch. 5 Pt. I** (with s. 57(4))

13 **F12**

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Textual Amendments

F12 S. 13 repealed by Finance Act 1978 (c. 42), **Sch. 13 Pt. I**

14 **F13**

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Textual Amendments

F13 S. 14 repealed by Finance Act 1989 (c. 26, SIF 107:2), s. 187(1), **Sch. 17 Pt. II** (in relation to licences taken out after 14.3.1989)

15 **F14**

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Textual Amendments

F14 S. 15 repealed by Customs and Excise Management Act 1979 (c. 2), s. 177(3), **Sch. 6 Pt. I**

16 **F15**

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Textual Amendments

F15 S. 16 repealed by Finance Act 1977 (c. 36), s. 59(5), **Sch. 9 Pt. I**

PART II

VALUE ADDED TAX

17 **F16**

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Textual Amendments

F16 S. 17 repealed by Finance (No. 2) Act 1979 (c. 47), s. 25(5), **Sch. 5 Pt. I**

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18 F17

Textual Amendments

F17 Ss. 18, 20 repealed by [Finance Act 1977 \(c. 36\)](#), s. 59(5), [Sch. 9 Pt. III](#)

19 F18

Textual Amendments

F18 Ss. 19, 21, 22 repealed by [Value Added Tax Act 1983 \(c. 55\)](#), s. 50(2), [Sch. 11](#)

20 F19

Textual Amendments

F19 Ss. 18, 20 repealed by [Finance Act 1977 \(c. 36\)](#), s. 59(5), [Sch. 9 Pt. III](#)

21, 22. F20

Textual Amendments

F20 Ss. 19, 21, 22 repealed by [Value Added Tax Act 1983 \(c. 55\)](#), s. 50(2), [Sch. 11](#)

23 Failure of resolution under Provisional Collection of Taxes Act 1968.

(1) Where—

- (a) by virtue of a resolution having effect under the Provisional Collection of Taxes Act 1968 value added tax has been paid at a rate specified in the resolution on the supply of any goods or services by reference to a value determined under section 10(2) of the Finance Act 1972, and
- (b) by virtue of section 1(6) or (7) or 5(3) of the said Act of 1968 any of that tax is repayable in consequence of the restoration in relation to that supply of a lower rate,

the amount repayable shall be the difference between the tax paid by reference to that value at the rate specified in the resolution and the tax that would have been payable by reference to that value at the lower rate.

(2) Where—

- (a) by virtue of such a resolution value added tax is chargeable at a rate specified in the resolution on the supply of any goods or services by reference to a value determined under the said section 10(2), but
- (b) before the tax is paid it ceases to be chargeable at that rate in consequence of the restoration in relation to that supply of a lower rate,

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the tax chargeable at the lower rate shall be charged by reference to the same value as that by reference to which tax would have been chargeable at the rate specified in the resolution.

- (3) The tax that may be deducted as input tax under section 3(1) of the Finance Act 1972 or refunded under section 15 or 15A of that Act does not include tax that has been repaid by virtue of any of the provisions mentioned in subsection (1)(b) above or that would be repayable by virtue of any of those provisions if it had been paid.

Modifications etc. (not altering text)

- C1** The text of s. 23 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991. This provision has been amended by [Finance Act 1977 \(c. 36\), s. 14\(2\)](#), [Sch. 6 para. 25](#)

PART III

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER I

GENERAL

24— **F21**
38.

Textual Amendments

- F21** Ss. 24–38, 44–50, 60–72(12) repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, [Sch. 31](#)

39— **F22**
42.

Textual Amendments

- F22** Ss. 39–42 repealed by [Capital Allowances Act 1990 \(c. 1, SIF 63:1\)](#), ss. 82, 164(4)(5), [Sch. 2](#)

43 **F23**

Textual Amendments

- F23** [S. 43](#) repealed by 1979 (No. 2) s. 24 and [Sch. 5 Part II](#) for 1979–80 et seq.

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44— F24
50.

Textual Amendments
F24 Ss. 24–38, 44–50, 60–72(12) repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, [Sch. 31](#)

51 F25

Textual Amendments
F25 S. 51 repealed by [Finance Act 1978 \(c. 42, SIF 63:2\)](#), s. 80(5), [Sch. 13 Part IV](#) (by Sch. 13 Pt. IV note 1 it is provided that the repeal has effect for the year 1977–78 and subsequent years of assessment)

52, 53. F26

Textual Amendments
F26 Ss. 52, 53, 55, 56 repealed by [Capital Gains Tax Act 1979 \(c. 14, SIF 63:2\)](#), ss. 157, 158, [Sch. 8](#) for 1979–80 et seq.

F27 54

Textual Amendments
F27 S. 54 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), s. 290, [Sch.12](#) (with s. 201(3), [Sch. 11 paras. 22, 26\(2\), 27](#))

55, 56. F28

Textual Amendments
F28 Ss. 52, 53, 55, 56 repealed by [Capital Gains Tax Act 1979 \(c. 14, SIF 63:2\)](#), ss. 157, 158, [Sch. 8](#) for 1979–80 et seq.

57 **Investigatory powers.**

(1) For section 20 of the Taxes Management Act 1970 (power to call for documents relating to business profits and tax liability thereon) there shall be substituted the sections 20, 20A, 20B, 20C and 20D set out in Schedule 6 to this Act.

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- (2) In section 118(1) of that Act (interpretation), in the definition of “tax”, after the words “those taxes” there are inserted the words “except that in sections 20, 20A, 20B, 20C and 20D it does not include development land tax”.

Modifications etc. (not altering text)

- C2** The text of s. 58(1)(a) and part of the text of ss. 57(2) and 59 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991

58 Recovery of tax in sheriff court.

- (1) Section 67(1) of the Taxes Management Act 1970 (recovery of tax in sheriff court) shall be amended as follows—
- (a) for the words “does not exceed £250” there shall be substituted the words “does not exceed the sum for the time being specified in section 35(1)(a) of the Sheriff Courts (Scotland) Act 1971”;
 - (b) the words “or in the sheriff’s small debt court, whichever is appropriate” shall be omitted.
- (2) this section shall come into force on 1st September 1976.

Modifications etc. (not altering text)

- C3** The text of s. 58(1)(a) and part of the text of ss. 57(2) and 59 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991

59 Post-war credits.

After section 131(3) of the Finance Act 1972 (power of Treasury to make order fixing time-limit for applications for repayment of post-war credits) there shall be inserted—

- “(3A) An order under subsection (3) above may make different provision for different cases or classes of case and may provide that no amount shall be ascertained, recorded or notified under section 7 of the Finance Act 1941 after any such time as may be specified in the order.”

Modifications etc. (not altering text)

- C4** See under “Post-war credits” in Part II Vol.5
- C5** The text of s. 58(1)(a) and part of the text of ss. 57(2) and 59 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991

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CHAPTER II

BENEFITS DERIVED BY COMPANY DIRECTORS AND OTHERS FROM THEIR EMPLOYMENT

60–71 **F29**

Textual Amendments
F29 Ss. 24–38, 44–50, 60–72(12) repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, [Sch. 31](#)

72
(1) **F30**

(13) The enactments specified in Schedule 9 to this Act shall be amended as there specified (which are amendments consequential on the replacement by this Chapter of Chapter II of Part VIII of the Taxes Act and other provisions); Part I of that Schedule substitutes a new section for section 15 of the Taxes Management Act 1970, and contains consequential amendments; Part II contains other amendments.

Textual Amendments
F30 Ss. 24–38, 44–50, 60–72(1)-(12) repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, [Sch. 31](#)

PART IV

73–125 **F31**

Textual Amendments
F31 Pt. IV (ss. 73–125) repealed by [Capital Transfer Tax Act 1984 \(c. 51\)](#), ss. 274, 277, [Schs. 7, 9](#)

PART V

MISCELLANEOUS AND SUPPLEMENTARY

126 **F32**

Textual Amendments
F32 S. 126 repealed by [Finance Act 1986 \(c. 41, SIF 114\)](#), [ss. 79\(1\)\(e\)\(9\)–\(11\)](#), 114, [Sch. 23 Pt. IX\(2\)](#)

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127 Stamp duty: stock exchange transfers

(1) Stamp duty shall not be chargeable on any transfer to a stock exchange nominee which is executed for the purposes of a stock exchange transaction.

(2) F33

(3) F34

(4) In section 33(1) of the Finance Act 1970 (composition by Stock Exchange in respect of transfer duty) after the words “” the heading ” “Conveyance or Transfer on Sale ” there shall be inserted the words “ ““or”Conveyance or Transfer of any kind not hereinbefore described ” ”and the words “being instruments executed for the purposes of stock exchange transactions as defined in section 4(1) of the Stock Transfer Act 1963 ” shall be omitted.

(5) This section shall be construed as one with the Stamp Act 1891 ^{F35} and in this section—

“ jobber” means a member of The Stock Exchange who is recognised by the Council thereof as carrying on the business of a jobber and carries on that business in the United Kingdom;

“stock exchange nominee” means any person designated for the purposes of this section as a nominee of The Stock Exchange by an order made by the Secretary of State;

“stock exchange transaction ” has the meaning given in section 4 of the Stock Transfer Act 1963 ^{F36}.

(6) The power to make an order under subsection (5) above shall be exercisable by statutory instrument and includes power to vary or revoke a previous order.

(7) Section 33 of the Finance Act 1970 ^{F37} shall extend to Northern Ireland; and in the application of that section and this section to Northern Ireland for any reference to the Stock Transfer Act 1963 there shall be substituted a reference to the Stock Transfer Act (Northern Ireland) 1963 ^{F38}.

Textual Amendments

F33 S. 127(2) repealed by Finance Act 1986 (c. 41, SIF 114), ss. 85(4), 114, Sch. 23 Pt. IX(4)

F34 S. 127(3) repealed by Finance Act 1986 (c. 41, SIF 114), s. 114, Sch. 23 Pt. IX(4)

F35 1891 c. 39.

F36 1963 c. 18.

F37 1970 c. 24.

F38 1963 c. 24 (N. I.).

128 F39

Textual Amendments

F39 S. 128 repealed by Finance Act 1988 (c. 39, SIF 114), s. 148, Sch. 14 Pt. XI

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129 F40

Textual Amendments

F40 S. 129 repealed with savings by Finance Act 1985 (c. 54), s. 98(6), Sch. 27 Pt. X, Note 1

130 Petroleum revenue tax.

(1) Schedule 2 to the Oil Taxation Act 1975 (management and collection) shall be amended as follows.

(2) In paragraph 12(1), after paragraph (c) there shall be inserted “or
(d) that for any chargeable period they ought to have made an assessment to tax instead of a determination of loss or a determination of loss instead of an assessment to tax;”

and for the words “adjustments in assessments or determinations” there shall be substituted the words “assessments or determinations or amendments of assessments or determinations”.

(3) After paragraph 12(2) there shall be inserted—

“(3) Where under this paragraph the Board make an assessment or determination or amend an assessment or determination they shall give notice thereof to the participator concerned; and sub-paragraphs (4), (5) and (6) of paragraph 10 above shall apply in relation to any such assessment, determination or amendment as they apply in relation to an assessment or determination under that paragraph.”

(4) In paragraph 14(1) after the words “an assessment or determination” there shall be inserted the words “or an amendment of an assessment or determination” and at the end there shall be inserted the words “or of the notice of the amendment”.

(5) In paragraph 14(9), in paragraph (a), for the words “or determination” there shall be substituted the words “, determination or amendment” and for the words from “on the adjustments” onwards there shall be substituted the words “on how the assessment, determination, amendment or decision should be varied or on what assessment or determination should be substituted in relation to the chargeable period in question, the same consequences shall ensue as if the Commissioners had determined the appeal to that effect.”

(6) For paragraph 14(10) there shall be substituted—

“(10) If, on the appeal, it appears to a majority of the Commissioners present at the hearing that the assessment, determination or amendment is wrong—

- (a) because no, or a smaller, assessable profit or a, or a larger, allowable loss has accrued for the chargeable period in question; or
- (b) because a, or a larger, assessable profit or no, or a smaller, allowable loss has accrued for that period,

the Commissioners shall vary the assessment, determination or amendment in such manner, or substitute such assessment or determination, as may be required; and it shall be for the participator to satisfy the Commissioners as to any matter within paragraph (a) above.”

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- (7) In paragraph 14(11) for the words “the determination of the Special Commissioners in any proceedings” there shall be substituted the words “the determination by the Special Commissioners of any appeal”.

Modifications etc. (not altering text)

- C6** The text of s. 130 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991

131 Inter-American Development Bank.

- (1) The following provisions of this section shall have effect on the United Kingdom’s becoming a member of the Inter-American Development Bank (“the Bank”).
- (2) [^{F41}A security issued by the Inter-American Development Bank] shall be taken for the purposes of capital transfer tax ^{F42}. . . to be situated outside the United Kingdom.
- (3) No stamp duty shall be chargeable under [^{F43}Schedule 15 to the Finance Act 1999 (bearer instruments)] on the issue of any instrument by the Bank or on the transfer of the stock constituted by, or transferable by means of, any instrument issued by the Bank.

Textual Amendments

- F41** Words substituted by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, **Sch. 29 para. 32**
- F42** Words in s. 131(2) repealed (6.3.1992 with effect as mentioned in s. 289(1) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), s. 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 22, 26(2), 27)
- F43** Words in s. 131(3) substituted (with application in accordance with s. 113(4) of the amending Act) by [Finance Act 1999 \(c. 16\)](#) s. 113(3) {Sch. 16 para. 3}

Modifications etc. (not altering text)

- C7** The United Kingdom formally joined the Inter-American Development Bank on 9 July 1976.

132 Citation, interpretation, construction and repeals.

- (1) This Act may be cited as the Finance Act 1976.
- (2) In this Act “the Taxes Act” means the Income and Corporation Taxes Act 1970.
- (3) In this Act—
- (a) ^{F44}
- (b) ^{F45}
- (c) Part III, so far as it relates to income tax, shall be construed as one with the Income Tax Acts, so far as it relates to corporation tax shall be construed as one with the Corporation Tax Acts and, so far as it relates to capital gains tax, shall be construed as one with [^{F46}the Capital Gains Tax Act 1979];
- (d) ^{F47}

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- (4) Except so far as the context otherwise requires, any reference in this Act to any enactment shall be construed as a reference to that enactment as amended, and as including a reference to that enactment as applied, by or under any other enactment, including this Act.
- (5) The enactments mentioned in Schedule 15 to this Act (which include spent enactments) are hereby repealed to the extent specified in the third column of that Schedule, but subject to any provision at the end of any Part of that Schedule.

Textual Amendments

- F44** S. 132(3)(a) repealed by [Customs and Excise Management Act 1979 \(c. 2\)](#), s. 177(3), **Sch. 6 Pt. I**
- F45** S. 132(3)(b) repealed by [Value Added Tax Act 1983 \(c. 55\)](#), s. 50(2), **Sch. 11**
- F46** Words substituted by [Capital Gains Tax Act 1979 \(c. 14, SIF 63:2\)](#), s. 157(2)(3), **Sch. 7 para. 8(a)** for 1979–80 et seq.
- F47** S. 132(3)(d) repealed by [Capital Transfer Tax Act 1984 \(c. 51\)](#), ss. 274, 277, Schs. 7, 9

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Changes and effects yet to be applied to :

- s. 131(3) words omitted by [2024 c. 3 Sch. 11 para. 20](#)