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**Changes to legislation:** Vehicle Excise and Registration Act 1994, Cross Heading: Trade licences is up to date with all changes known to be in force on or before 16 August 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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## SCHEDULES

### SCHEDULE 4

#### TRANSITIONALS ETC

##### *Trade licences*

- 8 (1) On and after such day as the Secretary of State may by order appoint this Act shall have effect as if for section 13 there were substituted—

**“13 Trade licences: duration and amount of duty.**

- (1) A trade licence may be taken out—
- (a) for a period of twelve months, or
  - (b) for a period of six months.
- (2) A trade licence taken out by a person who is not a motor trader or vehicle tester (having satisfied the Secretary of State as mentioned in section 11(1)(b)) may be taken out only for a period of six months.
- (3) The Secretary of State may require that a trade licence taken out by a motor trader or vehicle tester who does not hold an existing trade licence may be taken out only for a period of six months.
- (4) The rate of duty applicable to a trade licence taken out for a period of twelve months [<sup>F1</sup>(“the applicable annual rate”)] is—
- (a) the annual rate currently applicable to a vehicle under sub-paragraph [<sup>F2</sup>(1)(d)] of paragraph 2 of Schedule 1 if the licence is to be used only for vehicles to which that paragraph applies, and
  - (b) otherwise, the [<sup>F3</sup>basic goods vehicle rate currently applicable].
- [<sup>F4</sup>(4A) Where a trade licence is taken out for a period of 12 months and the duty is to be paid by more than one instalment pursuant to an agreement under section 19B, the rate of duty is 105% of the applicable annual rate.]
- [<sup>F5</sup>(5) The rate of duty applicable to a trade licence taken out for a period of 6 months is—
- (a) 55% of the applicable annual rate for a corresponding trade licence taken out for 12 months, or
  - (b) if the duty is to be paid by direct debit pursuant to an agreement under section 19B, 52.5% of that applicable annual rate.]
- (6) In determining a rate of duty under [<sup>F6</sup>subsection (4A) or (5)] any fraction of five pence—
- (a) if it exceeds two and a half pence, shall be treated as five pence, and
  - (b) otherwise, shall be disregarded.

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[<sup>F7</sup>(7) In this section “the basic goods vehicle rate” means the annual rate applicable, by virtue of sub-paragraph (1) of paragraph 9 of Schedule 1, to a rigid goods vehicle which—

<sup>F8</sup>(a) .....

(b) falls within column (3) of the table in that sub-paragraph and has a revenue weight exceeding 3,500 kilograms and not exceeding 7,500 kilograms.”]

(2) An order under sub-paragraph (1) may appoint different days for different cases.

(3) A licence in force when such an order substitutes for section 13 the provisions set out in sub-paragraph (1) is not affected by that substitution.

[<sup>F9</sup>(4) In cases in which the provisions set out in sub-paragraph (1) have effect, sections 35A(8) and 36(7) are to be read as referring to section 13(4A) instead of section 13(3A).]

#### Textual Amendments

- F1** Words in Sch. 4 para. 8(1) inserted (1.10.2014) by [Finance Act 2014 \(c. 26\)](#), **s. 89(4)(a)(10)**
- F2** Words in s. 13(4)(a) as set out in Sch. 4 para. 8 substituted (24.7.2002 with application as mentioned in [s. 18\(3\)](#) of the amending Act) by virtue of [Finance Act 2002 \(c. 23\)](#), **s. 18(2)**
- F3** Words in s. 13(4)(b) as set out in Sch. 4 para. 8(1) substituted (7.4.2005 with effect as mentioned in [s. 7\(14\)](#) of the amending Act) by [Finance Act 2005 \(c. 7\)](#), **s. 7(4)**
- F4** Words in Sch. 4 para. 8(1) inserted (1.10.2014) by [Finance Act 2014 \(c. 26\)](#), **s. 89(4)(b)(10)**
- F5** Words in Sch. 4 para. 8(1) substituted (1.10.2014) by [Finance Act 2014 \(c. 26\)](#), **s. 89(4)(c)(10)**
- F6** Words in Sch. 4 para. 8(1) substituted (1.10.2014) by [Finance Act 2014 \(c. 26\)](#), **s. 89(4)(d)(10)**
- F7** S. 13(7) as set out in Sch. 4 para. 8(1) inserted (7.4.2005 with effect as mentioned in [s. 7\(14\)\(16\)](#) of the amending Act) by [Finance Act 2005 \(c. 7\)](#), **s. 7(5)**
- F8** Words in Sch. 4 para. 8(1) omitted (with effect in accordance with Sch. 18 paras. 12-14, 16 of the amending Act) by virtue of [Finance Act 2014 \(c. 26\)](#), **Sch. 18 para. 10(b)**
- F9** Sch. 4 para. 8(4) inserted (1.10.2014) by [Finance Act 2014 \(c. 26\)](#), **s. 89(9)(10)**

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 7(1A) inserted by [2006 c. 49 s. 47\(2\)](#)
- s. 7(5)(za) inserted by [2006 c. 49 s. 47\(3\)](#)
- s. 22(1)(aa) inserted by [2006 c. 49 s. 47\(6\)](#)
- s. 22(1AA) inserted by [2006 c. 49 s. 47\(9\)](#)
- s. 22(1BA) inserted by [2006 c. 49 s. 47\(10\)](#)
- Sch. 1 para. 1N inserted by [2023 c. 1 s. 10\(5\)\(e\)\(7\)](#)
- Sch. 2 para. 20G(2)(za)-(zc) inserted by [2023 c. 1 s. 10\(2\)\(a\)\(i\)\(7\)](#)