



# Vehicle Excise and Registration Act 1994

## 1994 CHAPTER 22

### PART I

#### VEHICLE EXCISE DUTY AND LICENCES

##### *Main provisions*

#### **4 Amount of duty.**

[<sup>F1</sup>(1) Where a vehicle licence for a vehicle of any description is taken out for a period of 12 months, vehicle excise duty is to be paid on the licence—

- (a) at the annual rate of duty applicable to vehicles of that description, or
- (b) if the duty is to be paid by more than one instalment pursuant to an agreement under section 19B, at a rate equal to 105% of that annual rate.

(2) Subject to subsection (2A), where a vehicle licence for a vehicle of any description is taken out for a period of 6 months, vehicle excise duty is to be paid on the licence—

- (a) at a rate equal to 55% of the annual rate of duty applicable to vehicles of that description, or
- (b) if the duty is to be paid by direct debit pursuant to an agreement under section 19B, at a rate equal to 52.5% of that annual rate.

(2A) In the case of a vehicle which is charged to HGV road user levy, the reference in subsection (2)(a) to 55% is to be read as a reference to 50%.]

[<sup>F2</sup>(3) . . . . .]

(4) Where a vehicle licence for a vehicle of any description is taken out for a period specified in an order under section 3(3), vehicle excise duty shall be paid on the licence at such rate as may be specified in the order.

(5) A rate of vehicle excise duty specified in an order under section 3(3) in relation to a licence taken out for a vehicle for a period of—

- (a) a fixed number of months other than twelve, or

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**Changes to legislation:** Vehicle Excise and Registration Act 1994, Section 4 is up to date with all changes known to be in force on or before 30 December 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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- (b) less than one month,  
shall be such as to bear to the annual rate of duty applicable to the vehicle no less proportion than the period for which the licence is taken out bears to a year.
- (6) A rate of vehicle excise duty specified in an order under section 3(3) in relation to a licence taken out for a vehicle for a period of three months or a period of four months shall not exceed for each month of the period ten per cent. of the annual rate of duty applicable to the vehicle.
- (7) The power to make an order under section 3(3) includes power to amend or repeal subsection (2) <sup>F3</sup> ... of this section.

#### Textual Amendments

- F1** S. 4(1)-(2A) substituted (1.10.2014) by [Finance Act 2014 \(c. 26\), s. 89\(2\)\(10\)](#)
- F2** S. 4(3) repealed (7.4.2005 with effect as mentioned in s. 7(13) of the amending Act) by [Finance Act 2005 \(c. 7\), s. 7\(2\)\(a\), Sch. 11 Pt. 1](#)
- F3** Words in s. 4(7) repealed (7.4.2005 with effect as mentioned in s. 7(13) of the amending Act) by [Finance Act 2005 \(c. 7\), s. 7\(2\)\(b\), Sch. 11 Pt. 1](#)

**Changes to legislation:**

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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\(2\)\(a\)\(i\)\(7\)](#)