



Finance (No. 2) Act 2023

2023 CHAPTER 30

PART 6

OTHER TAXES

Stamp duty land tax

314 Transactions funded with the assistance of a public subsidy

- (1) In section 71 of FA 2003 (certain acquisitions by registered social landlord), after subsection (4) insert—

“(5) In this section “public subsidy” also means any grant under section 31 of the Local Government Act 2003 (grants towards expenditure incurred or to be incurred by local authorities) towards expenditure incurred or to be incurred on the provision of social housing within the meaning of Part 2 of the Housing and Regeneration Act 2008 (see sections 68 and 72 of that Act).”

- (2) The amendment made by [subsection \(1\)](#) has effect in relation to land transactions the effective date of which falls on or after 15 March 2023.

Value added tax

315 Deposit schemes

In Part 3 of VATA 1994 (application of Act in particular cases), after section 55A insert—

“55B Deposit schemes: designation

- (1) In sections 55C and 55D “a designated deposit scheme” means a deposit scheme which is designated, for the purposes of this section, by regulations made by the Commissioners.

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- (2) A “deposit scheme” means a scheme which is established—
- (a) by regulations under Schedule 8 to the Environment Act 2021, or
 - (b) by or under any other enactment that makes similar provision for a returnable deposit to be paid in relation to goods.
- (3) In subsection (2)(b), the reference to an “enactment” includes a reference to an enactment comprised in, or in an instrument made under—
- (a) an Act of the Scottish Parliament,
 - (b) a Measure or Act of Senedd Cymru, or
 - (c) Northern Ireland legislation.
- (4) Section 97(5) (statutory instruments: procedure) does not apply to a statutory instrument containing only regulations under subsection (1).

55C Deposit schemes: value of supply

- (1) This section applies if—
- (a) a taxable person makes a taxable (but not a zero-rated) supply of goods, and
 - (b) a deposit amount is payable in relation to the goods supplied.
- (2) For the purposes of this section and section 55D, a “deposit amount” in relation to goods is an amount that, in accordance with the provisions of a designated deposit scheme—
- (a) is added to the price payable for the goods, and
 - (b) must be repaid by a person, if the conditions for repayment under the scheme are met.
- (3) The deposit amount is to be disregarded in determining the amount of the consideration for the purposes of calculating the value of the supply under this Act.

55D Deposit schemes: liability to account for VAT on deposit amounts

- (1) For the purposes of this section, a person makes a “relevant deposit scheme supply” if—
- (a) the person makes the first supply of goods in relation to which a deposit amount is payable (whether or not another person makes a subsequent supply of those goods in relation to which a deposit amount is payable), and
 - (b) that supply is a taxable (but not a zero-rated) supply.
- (2) A person who makes relevant deposit scheme supplies is liable to account for and pay the VAT in respect of the deposit amount that, on the applicable assumption, would have been charged in relation to the proportion of the supplies that is determined, in accordance with provision made by or under regulations under subsection (4), as being attributable to goods in respect of which no deposit amount is repaid.
- (3) The applicable assumption is that, in the case of those goods, section 55C(3) is ignored and the deposit amount and the price payable for the goods are regarded

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instead as indistinguishable parts of the consideration for the supply of the goods.

- (4) The Commissioners may by regulations make provision about accounting for VAT in relation to designated deposit schemes including, in particular, provision—
- (a) for the making of financial adjustments in connection with the liability to account for and pay VAT under subsection (2);
 - (b) specifying the methods for calculating those adjustments;
 - (c) specifying the methods for determining or estimating the proportion of supplies in respect of which deposit amounts are not repaid;
 - (d) about the manner in which, and the period within which, adjustments are to be made (including adjustments for the correction of errors);
 - (e) specifying the conditions subject to which adjustments are to be made;
 - (f) conferring power on the Commissioners to make provision for the purposes of paragraphs (a) to (e) by means of a notice published in accordance with the regulations.
- (5) The power to make regulations under subsection (4) includes power to make (or to enable the Commissioners to make)—
- (a) different provision for different purposes;
 - (b) different provision for different areas;
 - (c) consequential, supplementary, incidental, transitional, transitory or saving provision.”

Import duty

316 Dumping, subsidisation and safeguarding remedies

Schedules 19 and 20 make provision for the purposes of import duty—

- (a) requiring the Trade Remedies Authority (“the TRA”) to give the Secretary of State notice at certain points in dumping, subsidisation and safeguarding investigations,
- (b) enabling the TRA to include more than one option in recommendations to the Secretary of State in relation to such investigations,
- (c) authorising the Secretary of State to ask for additional advice from, and act otherwise than in accordance with a recommendation of, the TRA in relation to such investigations,
- (d) requiring the TRA to advise the Secretary of State on whether the economic interest test is met in relation to remedies that it recommends in dumping, subsidisation or safeguarding cases,
- (e) about reviews of the application of remedies in such cases,
- (f) about bilateral safeguards, and
- (g) about Part 12 of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 ([S.I. 2019/450](#)).

317 Rulings as to method of valuation of goods

- (1) Section 24 of TCTA 2018 (rulings as to application of customs tariff or place of origin) is amended as follows.

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- (2) In the heading, after “customs tariff” insert “, valuation method”.
- (3) In subsection (1), after paragraph (a) (but before the “or”) insert—
 - “(aa) determining the value of any goods for the purposes of this Part.”.

318 Discharging goods from free-circulation procedure subject to guarantee

- (1) In paragraph 17 of Schedule 1 to TCTA 2018 (releasing and discharging goods to and from Customs procedures), after sub-paragraph (5) insert—
 - “(5A) Sub-paragraph (5B) applies where—
 - (a) goods are declared for the free-circulation procedure, but
 - (b) it is impracticable to immediately ascertain the amount of import duty (if any) payable in respect of the goods.
 - (5B) The discharge of goods from the free-circulation procedure in accordance with sub-paragraph (4) may, if HMRC think fit, be subject to an approved guarantee being given in respect of any liability or potential liability to import duty in respect of the goods.”
- (2) In CEMA 1979, omit section 119 (delivery of imported goods on giving of security for duty).
- (3) The amendments made by [subsections \(1\)](#) and [\(2\)](#) have effect in relation to goods in respect of which a Customs declaration is accepted, for the purposes of TCTA 2018, on or after the day on which this Act is passed (and [subsection \(2\)](#) does not affect the application of section 119 of CEMA 1979 in relation to goods in respect of which a Customs declaration is accepted before that day).
- (4) In Schedule 7 to TCTA 2018 (import duty: consequential amendments), omit paragraph 90.

Fuel duties

319 Excepted machines etc

- (1) HODA 1979 is amended as follows.
- (2) Schedule 1A (excepted machines able to use rebated diesel etc) is amended in accordance with [subsections \(3\)](#) and [\(4\)](#).
- (3) In paragraph 6 (vessels)—
 - (a) in the heading, after “Vessels” insert “etc”;
 - (b) after sub-paragraph (3) insert—
 - “(4) A tractor or gear owned by a charity and used by it for the purpose of launching or hauling in a lifeboat owned by it.”
- (4) In paragraph 8 (other machines or appliances)—
 - (a) in sub-paragraph (1)—
 - (i) in paragraph (a), after “pisciculture” insert “, arboriculture”;
 - (ii) in paragraph (d), at the beginning insert “primarily”;

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- (iii) in paragraph (e), for “of premises that are used for commercial purposes” substitute “for any premises”;
- (b) after sub-paragraph (2) insert—
- “(3) The Commissioners may publish a notice making provision for the purposes of sub-paragraph (1)(d) about the meaning of—
- (a) “primarily”, and
- (b) “used for commercial purposes”.”
- (5) In section 14B (rebate on bioblend used as fuel for excepted machines), for subsection (6) substitute—
- “(6) In subsection (3)—
- “HO%” means the percentage of the bioblend that is heavy oil, and
- “BD%” means the percentage of the bioblend that is biodiesel, where the percentages are by volume to the nearest 0.001%.”
- (6) The amendments made by subsections (2) to (4) are to be treated as having come into force on 15 March 2023.

Tobacco products duty

320 Rates of tobacco products duty

- (1) In Schedule 1 to TDPA 1979 (table of rates of tobacco products duty), for the Table substitute—

“TABLE

1 Cigarettes	An amount equal to the higher of— (a) 16.5% of the retail price plus £294.72 per thousand cigarettes, or (b) £393.45 per thousand cigarettes.
2 Cigars	£367.61 per kilogram
3 Hand-rolling tobacco	£351.03 per kilogram
4 Other smoking tobacco and chewing tobacco	£161.62 per kilogram
5 Tobacco for heating	£302.93 per kilogram”

- (2) In consequence of the provision made by [subsection \(1\)](#), in Schedule 2 to the Travellers’ Allowances Order 1994 (which provides in certain circumstances for a simplified calculation of excise duty on goods brought into Great Britain)—
- (a) in the entry relating to cigarettes, for “£347.86” substitute “£393.45”,
- (b) in the entry relating to hand rolling tobacco, for “£302.34” substitute “£351.03”,
- (c) in the entry relating to other smoking tobacco and chewing tobacco, for “£144.17” substitute “£161.62”,
- (d) in the entry relating to cigars, for “£327.92” substitute “£367.61”,

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- (e) in the entry relating to cigarillos, for “£327.92” substitute “£367.61”, and
 - (f) in the entry relating to tobacco for heating, for “£81.07” substitute “£90.88”.
- (3) The amendments made by this section are treated as having come into force at 6pm on 15 March 2023.

Soft drinks industry levy

321 Flavour concentrates

[Schedule 21](#) makes amendments of Part 2 of FA 2017 (soft drinks industry levy) in connection with flavour concentrates.

Air passenger duty

322 New bands and rates

- (1) Section 30 of FA 1994 (air passenger duty: rates) is amended as follows.
- (2) In subsection (1A), after “long haul” insert “and ultra-long haul”.
- (3) After subsection (1A) insert—
 - “(1B) If the passenger’s journey ends at a place in the United Kingdom—
 - (a) if the passenger’s agreement for carriage provides for standard class travel in relation to every flight on the passenger’s journey, the rate is £6.50, and
 - (b) in any other case, the rate is £13.”
- (4) In subsection (2) omit “the United Kingdom or”.
- (5) After subsection (2) insert—
 - “(2A) If the passenger’s journey ends at a place in a territory specified in Part 1A of Schedule 5A—
 - (a) if the passenger’s agreement for carriage provides for standard class travel in relation to every flight on the passenger’s journey, the rate is £87, and
 - (b) in any other case, the rate is £191.”
- (6) In subsection (4A)—
 - (a) in paragraph (a), for “£84” substitute “£91”;
 - (b) in paragraph (b), for “£185” substitute “£200”.
- (7) In subsection (4E)—
 - (a) before paragraph (a) insert—
 - “(za) if the rate which (apart from this subsection) would apply is the rate in subsection (1B)(a) or (b), a rate of £78 is to apply instead.”;
 - (b) in paragraph (a), for “equal to six times the rate in subsection (2)(a)” substitute “of £78”;
 - (c) omit the “and” at the end of paragraph (a);

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- (d) after paragraph (a) insert—
- “(aa) if the rate which (apart from this subsection) would apply is the rate in subsection (2A)(a) or (b), a rate of £574 is to apply instead, and”;
- (e) in paragraph (d), for “equal to 6.6 times the rate in subsection (4A)(a)” substitute “of £601”.
- (8) In Schedule 5A to FA 1994 (air passenger duty: territories etc)—
- (a) in Part 1 (Part 1 territories)—
- (i) for “Czech Republic” substitute “Czechia”;
- (ii) for “Former Yugoslav Republic of” substitute “North”;
- (b) after Part 1 insert—

“PART 1A

PART 1A TERRITORIES

Afghanistan	Cuba	Kyrgyzstan	Senegal
Angola	Curacao	Lebanon	Seychelles
Anguilla	Djibouti	Liberia	Sierra Leone
Antigua and Barbuda	Dominica	Macau	Sint Eustatius
Armenia	Dominican Republic	Malawi	Sint Maarten
Aruba	Egypt	Maldives	Somalia
Azerbaijan	El Salvador	Mali	South Korea
Bahrain	Equatorial Guinea	Martinique	South Sudan
Bangladesh	Eritrea	Mauritania	Sri Lanka
Barbados	Ethiopia	Mayotte	St Helena, Ascension and Tristan da Cunha
Belize	French Guiana	Mongolia	St Kitts and Nevis
Benin	Gabon	Montserrat	Sudan
Bermuda	Georgia	Namibia	Suriname
Bhutan	Ghana	Nepal	Syria
Bonaire	Grenada	Nicaragua	Tajikistan
Botswana	Guadeloupe	Niger	Tanzania
Brazil	Guatemala	Nigeria	The Bahamas
British Virgin Islands	Guinea	North Korea	The Gambia
Burkina Faso	Guinea-Bissau	Oman	Togo

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Burundi	Guyana	Pakistan	Trinidad and Tobago
Cameroon	Haiti	Panama	Turkmenistan
Canada	Honduras	Qatar	Turks and Caicos Islands
Cape Verde	India	Russian Federation, east of the Ural Mountains	Uganda
Cayman Islands	Iran	Rwanda	United Arab Emirates
Central African Republic	Iraq	Saba	United States (including Puerto Rico and U.S. Virgin Islands)
Chad	Israel	Saint Barthélemy	Uzbekistan
China	Ivory Coast	Saint Lucia	Venezuela
Colombia	Jamaica	Saint Martin	Yemen
Comoros	Jordan	Saint Pierre and Miquelon	Zambia
Congo	Kazakhstan	Saint Vincent and the Grenadines	Zimbabwe
Congo (Democratic Republic)	Kenya	Sao Tome and Principe	
Costa Rica	Kuwait	Saudi Arabia ² .	

(9) In consequence of the amendments made by this section, in Schedule 1 to The Aircraft Operators (Accounts and Records) Regulations 1994 (S.I. 1994/1737) (particulars of an air passenger duty account), in paragraph (e)—

(a) before sub-paragraph (i) insert—

“(ai) chargeable at the rates set out in section 30(1B)(a) and (b) of the Act;”;

(b) after sub-paragraph (i) insert—

“(ia) chargeable at the rates set out in section 30(2A)(a) and (b) of the Act;”;

(c) in sub-paragraph (viii), for “(a)” substitute “(za), (a), (aa)”.

(10) The amendments made by [this section](#) have effect in relation to the carriage of passengers beginning on or after 1 April 2023.

323 Northern Ireland rates

(1) Section 30A of FA 1994 (Northern Ireland long haul rates of duty) is amended as follows.

(2) In the heading, after “long haul” insert “and ultra-long haul”.

(3) In subsection (5A), in paragraph (c) omit sub-paragraph (ii) and the “or” before it.

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(4) After subsection (7) insert—

“(7A) For the purposes of any paragraph, an Act of the Northern Ireland Assembly may set one rate for cases within section 30(2A) and a different rate for cases within section 30(4A).”

(5) The amendments made by this section have effect in relation to the carriage of passengers beginning on or after 1 April 2023.

Vehicle taxes

324 Rates of vehicle excise duty

(1) Schedule 1 to VERA 1994 (annual rates of vehicle excise duty) is amended as follows.

(2) In paragraph 1 (general rate)—

- (a) in sub-paragraph (2) (vehicle not covered elsewhere in Schedule with engine cylinder capacity exceeding 1,549cc), for “£295” substitute “£325”, and
- (b) in sub-paragraph (2A) (vehicle not covered elsewhere in Schedule with engine cylinder capacity not exceeding 1,549cc), for “£180” substitute “£200”.

(3) In paragraph 1B (graduated rates for light passenger vehicles registered before 1 April 2017), for the Table substitute—

“CO2 Emissions Figure		Rate	
(1) Exceeding g/km	(2) Not exceeding g/km	(3) Reduced rate £	(4) Standard Rate £
100	110	10	20
110	120	25	35
120	130	140	150
130	140	170	180
140	150	190	200
150	165	230	240
165	175	280	290
175	185	310	320
185	200	355	365
200	225	385	395
225	255	665	675
255	—	685	695”.

(4) In the sentence immediately following the Table in that paragraph, for paragraphs (a) and (b) substitute—

- “(a) in column (3), in the last two rows, “385” were substituted for “665” and “685”, and

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(b) in column (4), in the last two rows, “395” were substituted for “675” and “695”.

(5) In paragraph 1GC (graduated rates for first licence for light passenger vehicles registered on or after 1 April 2017), for Table 1 (vehicles other than higher rate diesel vehicles) substitute—

“CO2 Emissions Figure		Rate	
(1)	(2)	(3)	(4)
Exceeding	Not exceeding	Reduced rate	Standard Rate
g/km	g/km	£	£
0	50	0	10
50	75	20	30
75	90	120	130
90	100	155	165
100	110	175	185
110	130	200	210
130	150	245	255
150	170	635	645
170	190	1030	1040
190	225	1555	1565
225	255	2210	2220
255	—	2595	2605”.

(6) In that paragraph, for Table 2 (higher rate diesel vehicles) substitute—

“CO2 Emissions Figure		Rate
(1)	(2)	(3)
Exceeding	Not exceeding	Rate
g/km	g/km	£
0	50	30
50	75	130
75	90	165
90	100	185
100	110	210
110	130	255
130	150	645
150	170	1040
170	190	1565

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	“CO2 Emissions Figure	Rate
190	225	2220
225	255	2605
255	—	2605”.

- (7) In paragraph 1GD(1) (rates for any other licence for light passenger vehicles registered on or after 1 April 2017)—
- (a) in paragraph (a) (reduced rate), for “£155” substitute “£170”, and
 - (b) in paragraph (b) (standard rate), for “£165” substitute “£180”.
- (8) In paragraph 1GE(2) (rates for light passenger vehicles registered on or after 1 April 2017 with a price exceeding £40,000)—
- (a) in paragraph (a), for “£510” substitute “£560”, and
 - (b) in paragraph (b), for “£520” substitute “£570”.
- (9) In paragraph 1J(a) (rates for light goods vehicles that are not pre-2007 or post-2008 lower emission vans), for “£290” substitute “£320”.
- (10) In paragraph 2(1) (rates for motorcycles)—
- (a) in paragraph (a) (engine cylinder capacity not exceeding 150cc), for “£22” substitute “£24”,
 - (b) in paragraph (b) (motorbicycles with engine cylinder capacity exceeding 150cc but not exceeding 400cc), for “£47” substitute “£52”,
 - (c) in paragraph (c) (motorbicycles with engine cylinder capacity exceeding 400cc but not exceeding 600cc), for “£73” substitute “£80”, and
 - (d) in paragraph (d) (other cases), for “£101” substitute “£111”.
- (11) The amendments made by this section have effect in relation to licences taken out on or after 1 April 2023.

325 Reform of HGV road user levy

[Schedule 22](#) makes provision (including consequential provision) about—

- (a) the charging of HGV road user levy in respect of UK-registered and non-UK registered heavy goods vehicles,
- (b) the register of HGV road user levy paid or due to be paid, and
- (c) the rate of HGV road user levy chargeable in respect of a heavy goods vehicle by reference to the vehicle’s revenue weight.

326 End of exempt period for HGV road user levy

- (1) In section 88 of FA 2020 (HGV road user levy)—
- (a) in the heading, at the end insert “: exempt period”;
 - (b) in subsection (1), at the beginning insert “Subject to section 88A,”;
 - (c) in subsection (3), at the beginning insert “For the purposes of this section and [section 88A](#),”.
- (2) After that section insert—

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“88A HGV road user levy: transitional provision for end of exempt period

- (1) This section applies where—
 - (a) a UK heavy goods vehicle (the “charged vehicle”) is charged to vehicle excise duty in respect of more than one period (a “charged period”) beginning within the last 12 months of the exempt period, and
 - (b) the combined length of the charged periods is more than 12 months.
- (2) Section 5(2) of the 2013 Act applies in relation to the charged vehicle in respect of each complete month in the period (the “transitional liability period”)—
 - (a) beginning with the day after the last exempt day in relation to the charged vehicle, and
 - (b) ending with the end of the charged period during which that last exempt day occurs.
- (3) The last exempt day, in relation to a charged vehicle, is the last day of the period of 12 months beginning with the day on which the first charged period beginning within the last 12 months of the exempt period began.
- (4) [Subsection \(5\)](#) applies where, in relation to the charged vehicle—
 - (a) a notification has been made under section 7(2)(c) of the 2013 Act (an “off-road notification”) in respect of a period beginning within the last 12 months of the exempt period, and
 - (b) vehicle excise duty is charged in respect of a period beginning—
 - (i) after the day on which the off-road notification is made, and
 - (ii) within the last 12 months of the exempt period.
- (5) In calculating the period of 12 months mentioned in [subsection \(3\)](#) ignore the number of whole months in the period beginning with the day on which the off-road notification is made and ending with the first day of the period described in [subsection \(4\)\(b\)](#).
- (6) The Secretary of State, and any person who may exercise powers on behalf of the Secretary of State under section 9 of the 2013 Act (collection of levy), may (in addition to having the powers, duties and liabilities mentioned in that section) give a notice (a “payment notice”) to a person liable for HGV road user levy in respect of a transitional liability period.
- (7) A payment notice must state—
 - (a) the amount of HGV road user levy for which the person is liable in respect of the transitional liability period,
 - (b) how the amount is to be paid, and
 - (c) that payment must be made within the period of 28 days beginning with the day on which the notice is given.
- (8) The amount in [subsection \(7\)\(a\)](#) is given by—

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$$\frac{L \times M}{12}$$

where—

L is the yearly rate of HGV road user levy applicable in relation to the vehicle on the first day of the transitional liability period, and

M is the number of whole months during the transitional liability period.

- (9) In relation to the transitional liability period—
- (a) a person commits an offence under section 11 of the 2013 Act (offence of using or keeping heavy goods vehicle if levy not paid) only if the person—
 - (i) has been given a payment notice, and
 - (ii) has failed to make payment in accordance with that notice, and
 - (b) section 7(5A) of the Vehicle Excise and Registration Act 1994 has effect as if the reference to HGV road user levy having been paid were a reference to it having been paid in accordance with a payment notice.
- (10) In this section “UK heavy goods vehicle” has the same meaning as in the HGV Road User Levy Act 2013 (see section 2 of that Act).”

Environmental taxes

327 Rates of landfill tax

- (1) Section 42 of FA 1996 (amount of landfill tax) is amended as follows.
- (2) In subsection (1)(a) (standard rate), for “£98.60” substitute “£102.10”.
- (3) In subsection (2) (reduced rate for certain disposals), in the words after paragraph (b) —
 - (a) for “£98.60” substitute “£102.10”, and
 - (b) for “£3.15” substitute “£3.25”.
- (4) The amendments made by this section have effect in relation to disposals made (or treated as made) on or after 1 April 2023.

328 Rates of climate change levy

- (1) Paragraph 42 of Schedule 6 to FA 2000 (climate change levy: amount payable by way of levy) is amended as follows.
- (2) In sub-paragraph (1), for the table substitute—

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“TABLE

<i>Taxable commodity supplied</i>	<i>Rate at which levy payable if supply is not a reduced-rate supply</i>
Electricity	£0.00775 per kilowatt hour
Gas supplied by a gas utility or any gas supplied in a gaseous state that is of a kind supplied by a gas utility	£0.00775 per kilowatt hour
Any petroleum gas, or other gaseous hydrocarbon, supplied in a liquid state	£0.02175 per kilogram
Any other taxable commodity	£0.06064 per kilogram”

- (3) In sub-paragraph (1)(c) (reduced-rate supplies in respect of any taxable commodity other than electricity or petroleum gas, or other gaseous hydrocarbon, supplied in a liquid state), for “12” substitute “11”.
- (4) In consequence of the amendment made by subsection (3), in the definition of “r” in the Notes to paragraph 2 of Schedule 1 to the Climate Change Levy (General) Regulations 2001 (S.I. 2001/838), for “0.88” substitute “0.89”.
- (5) The amendments made by this section have effect in relation to supplies treated as taking place on or after 1 April 2024.

329 Rate of plastic packaging tax

- (1) In section 45(1) of FA 2021 (rate of plastic packaging tax), for “£200” substitute “£210.82”.
- (2) The amendment made by this section has effect in relation to packaging components produced in, or imported into, the United Kingdom on or after 1 April 2023.

330 Aggregates levy: exemptions and exploitation

- (1) Part 2 of FA 2001 (aggregates levy) is amended as follows.
- (2) In section 17 (meanings of “aggregate” and “taxable aggregate”)—
- (a) in subsection (3)—
 - (i) omit paragraphs (b), (d) and (da);
 - (ii) omit the “or” at the end of paragraph (e);
 - (iii) after paragraph (f) insert “; or
 - (g) it consists wholly of aggregate won by being removed from the ground on the site of any or any proposed structure, or the site of any or any proposed infrastructure relating to transportation or utilities, in the course of excavations lawfully carried out—
 - (i) in connection with, and necessary for, the construction, modification, maintenance or improvement of the structure or infrastructure, and

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- (ii) not for the purpose of extracting that aggregate.”;
 - (b) in subsection (4) omit paragraph (e);
 - (c) in subsection (7) omit the definition of “highway”.
- (3) In section 19 (commercial exploitation)—
 - (a) in subsection (3), in paragraph (e), for “site from which it was won” substitute “original site by virtue of it being used for a purpose connected with winning aggregate or other minerals from the site”;
 - (b) after subsection (3A) insert—
 - “(3B) For the purposes of subsection (3)(e), in relation to a quantity of aggregate, “the original site” means the site from which it was won.”;
 - (c) for subsection (4) substitute—
 - “(4) **Subsection (4A)** applies where, at the time when any aggregate is won from any site, a person (“P”) is in occupation for relevant purposes of—
 - (a) that site, or
 - (b) that site and other land.
 - (4A) Where this subsection applies, so long as the site mentioned in **subsection (4)**, or that site and the other land, continue to be occupied by P for relevant purposes, subsection (3)(e) has effect as if—
 - (a) (where relevant) the reference to the land at the original site included the other land, and
 - (b) the words “by virtue of it being used for a purpose connected with winning aggregate or other minerals from the site” were omitted.
 - (4B) For the purposes of subsections **(4)** and **(4A)** relevant purposes are—
 - (a) the purposes of the carrying on of any agricultural business, or
 - (b) the purposes of the carrying on of any forestry business or otherwise for the purposes of forestry.”
- (4) In consequence of the amendments made by subsection (2), in the Aggregates Levy (Registration and Miscellaneous Provisions) Regulations 2001 ([S.I. 2001/ 4027](#)), in regulation 3 (unconditional exemption from registration), in paragraph (a)—
 - (a) in sub-paragraph (i), for “(b), (c), (d) or (da)” substitute “(c) or **(g)**”;
 - (b) in sub-paragraph (ii), for “(c), (d) or (e)” substitute “(c) or (d)”.
- (5) The amendments made by this section have effect in relation to aggregate won on or after 1 October 2023.

Changes to legislation:

There are currently no known outstanding effects for the Finance (No. 2) Act 2023, Part 6.