



# Finance Act 1993

## 1993 CHAPTER 34

### PART VI

#### MISCELLANEOUS AND GENERAL

*Statutory effect of resolutions etc.*

#### 205 The 1968 Act.

- (1) The <sup>M1</sup>Provisional Collection of Taxes Act 1968 shall be amended as follows.
- (2) In section 1(1) (taxes to which section 1 applies)—
  - (a) after “income tax,” there shall be inserted “corporation tax (including advance corporation tax) ”;
  - (b) the words “car tax” shall be omitted.
- (3) Section 1(1A) (reference to income tax to include reference to amounts representing income tax) shall be omitted.
- (4) In section 1(3)(a) (resolution passed in March or April to have statutory effect for period expiring with 5th August) for “March or April” there shall be substituted “November or December ” and for “5th August in the same calendar year” there shall be substituted “5th May in the next calendar year ”.
- (5) In section 1(4) (resolution to cease to have statutory effect unless Bill read a second time within twenty-five sitting days) for “twenty-five” there shall be substituted “thirty ”.
- (6) In section 5 (resolution giving provisional effect to motions)—
  - (a) in subsection (1), paragraph (c) and the word “or” immediately preceding it shall be omitted;
  - (b) in subsection (2) for “, sections 8(5) and 822 of the 1988 Act” there shall be substituted “and section 822 of the Income and Corporation Taxes Act 1988 ”.

*Status: Point in time view as at 27/07/1993.*

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1993, Cross Heading: Statutory effect of resolutions etc.. (See end of Document for details)*

- (7) This section shall apply in relation to resolutions passed after the day on which this Act is passed.

**Marginal Citations**

M1 1968 c. 2.

**206 Corporation tax.**

- (1) In section 8 of the Taxes Act 1988 (general scheme of corporation tax) subsections (4) to (6) (assessments where tax not charged for year etc.) shall be omitted.
- (2) The following section shall be inserted after section 8 of the Taxes Act 1988—

**“8A Resolutions to reduce corporation tax.**

- (1) In a case where—
- (a) an Act of Parliament charges corporation tax for the financial year 1993 or a subsequent financial year,
  - (b) the House of Commons passes a resolution that the rate at which corporation tax for the financial year concerned is charged shall be a rate which is set out in the resolution and is lower than that fixed by the Act of Parliament, and
  - (c) the resolution is passed in the financial year concerned,
- any assessment to corporation tax made in the prescribed period may be made in accordance with the resolution.
- (2) Unless an Act of Parliament—
- (a) is passed within the prescribed period, and
  - (b) contains a provision that the rate at which corporation tax for the financial year concerned is charged shall be the rate set out in the resolution passed under subsection (1) above,
- any assessment made under that subsection in accordance with the resolution shall be subject to adjustment, whether by the making of a further assessment or otherwise.
- (3) Subsection (4) below applies where an Act of Parliament fixes the small companies’ rate, and the fraction mentioned in section 13(2), for the financial year 1993 or a subsequent financial year.
- (4) If the House of Commons passes a resolution in the financial year concerned that—
- (a) the rate shall be a rate which is set out in the resolution and is lower than that fixed by the Act of Parliament,
  - (b) the fraction shall be a fraction which is set out in the resolution and is different from that fixed by the Act of Parliament, or
  - (c) the rate shall be as mentioned in paragraph (a) above and the fraction shall be as mentioned in paragraph (b) above,
- any assessment to corporation tax made in the prescribed period may be made in accordance with the resolution.

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- (5) Unless an Act of Parliament—
- (a) is passed within the prescribed period, and
  - (b) contains a provision to the same effect as the resolution passed under subsection (4) above,
- any assessment made under that subsection in accordance with the resolution shall be subject to adjustment, whether by the making of a further assessment or otherwise.
- (6) For the purposes of this section the prescribed period is the period of six months beginning with the day after that on which the resolution concerned is passed.”
- (3) In section 246(2)(b) of the Taxes Act 1988 (charge of advance corporation tax at previous rate not to apply to distributions made after 5th August) for “August” there shall be substituted “ May ”.

## **207 Stamp duty.**

- (1) In section 50(2) of the <sup>M2</sup>Finance Act 1973 (period of temporary statutory effect of resolution affecting stamp duties)—
- (a) in paragraph (a) (period by reference to twenty-fifth day of Commons sitting) for “twenty-fifth” there shall be substituted “ thirtieth ”;
  - (b) in paragraph (d) (period by reference to five months beginning with day resolution takes effect) for “five” there shall be substituted “ six ”.
- (2) This section shall apply in relation to resolutions passed after the day on which this Act is passed.

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### **Marginal Citations**

**M2** 1973 c. 51.

**Status:**

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**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1993, Cross Heading: Statutory effect of resolutions etc..