



Vehicle Excise and Registration Act 1994

1994 CHAPTER 22

PART I

VEHICLE EXCISE DUTY AND LICENCES

Additional duty, rebates etc.

15 Vehicles becoming chargeable to duty at higher rate

- (1) Where—
 - (a) a vehicle licence has been taken out for a vehicle at any rate of vehicle excise duty, and
 - (b) at any time while the licence is in force the vehicle is used so as to subject it to a higher rate,duty at the higher rate becomes chargeable in respect of the licence for the vehicle.
- (2) For the purposes of subsection (1) a vehicle is used so as to subject it to a higher rate if it is used in an altered condition, in a manner or for a purpose which—
 - (a) brings it within, or
 - (b) if it was used solely in that condition, in that manner or for that purpose, would bring it within,a description of vehicle to which a higher rate of duty is applicable.
- (3) For the purposes of subsection (1) a vehicle in respect of which a lower rate of duty is chargeable by virtue of regulations under paragraph 13 of Schedule 1 is also used so as to subject it to a higher rate if it is used in contravention of a condition imposed under or by virtue of sub-paragraph (2) of that paragraph.
- (4) Where duty at a higher rate becomes chargeable under subsection (1) in respect of a vehicle licence, the licence may be exchanged for a new vehicle licence for the period—
 - (a) beginning with the date on which the higher rate of duty becomes chargeable, and

- (b) ending with the period for which the original licence was issued.
- (5) A new vehicle licence may be obtained under subsection (4) only on payment of the appropriate proportion of the difference between—
 - (a) the amount of duty payable on the original licence, and
 - (b) the amount of duty payable on a vehicle licence taken out for the period for which the original licence was issued but at the higher rate of duty.
- (6) For the purposes of subsection (5) “the appropriate proportion” means the proportion which the number of months in the period—
 - (a) beginning with the date on which the higher rate of duty becomes chargeable, and
 - (b) ending with the period for which the original licence was issued,
 bears to the number of months in the whole of the period for which the original licence was issued (any incomplete month being treated as a whole month).
- (7) If the higher rate has been changed since the issue of the original licence, the amount under subsection (5)(b) is calculated as if that rate had been in force at all material times at the level at which it is in force when it becomes chargeable.

16 Exceptions from charge at higher rate in case of tractive units

- (1) Duty at a higher rate does not become chargeable under section 15—
 - (a) where subsection (2) applies in relation to a tractive unit, by reason of the tractive unit being used in accordance with subsection (3),
 - (b) where subsection (4) applies in relation to a tractive unit, by reason of the tractive unit being used in accordance with subsection (5), or
 - (c) where subsection (6) applies in relation to a tractive unit, by reason of the tractive unit being used in accordance with subsection (7).
- (2) This subsection applies in relation to a tractive unit where—
 - (a) a vehicle licence for—
 - (i) a tractive unit having two axles which is to be used only with semi-trailers with not fewer than two axles, or
 - (ii) a tractive unit having two axles which is to be used only with semi-trailers with not fewer than three axles,
 has been taken out for the tractive unit, and
 - (b) the rate of duty paid on taking out the licence is equal to or exceeds the rate of duty applicable to a tractive unit having two axles which—
 - (i) has a plated train weight (or, in Northern Ireland, a relevant maximum train weight) equal to the maximum laden weight at which a tractive unit having two axles may lawfully be used in Great Britain with a semi-trailer with a single axle, and
 - (ii) is to be used with semi-trailers with any number of axles.
- (3) The tractive unit is being used in accordance with this subsection where—
 - (a) it is used with a semi-trailer with a single axle, and
 - (b) when so used, the laden weight of the tractive unit and semi-trailer taken together does not exceed the maximum laden weight mentioned in subsection (2)(b)(i).

- (4) This subsection applies in relation to a tractive unit where—
- (a) a vehicle licence for a tractive unit having two axles which is to be used only with semi-trailers with not fewer than three axles has been taken out for the tractive unit, and
 - (b) the rate of duty paid on taking out the licence is equal to or exceeds the rate of duty applicable to a tractive unit having two axles which—
 - (i) has a plated train weight (or, in Northern Ireland, a relevant maximum train weight) of 33,000 kilograms, and
 - (ii) is to be used with semi-trailers with not fewer than two axles.
- (5) The tractive unit is being used in accordance with this subsection where—
- (a) it is used with a semi-trailer with two axles, and
 - (b) when so used, the laden weight of the tractive unit and semi-trailer taken together does not exceed 33,000 kilograms.
- (6) This subsection applies in relation to a tractive unit where—
- (a) a vehicle licence for a tractive unit having three or more axles which is to be used only with semi-trailers with not fewer than two axles has been taken out for the tractive unit, and
 - (b) the rate of duty paid on taking out the licence is equal to or exceeds the rate of duty applicable to a tractive unit having three or more axles which—
 - (i) has a plated train weight (or, in Northern Ireland, a relevant maximum train weight) equal to the maximum laden weight at which a tractive unit having three or more axles may lawfully be used in Great Britain with a semi-trailer with a single axle, and
 - (ii) is to be used with semi-trailers with any number of axles.
- (7) The tractive unit is being used in accordance with this subsection where—
- (a) it is used with a semi-trailer with a single axle, and
 - (b) when so used, the laden weight of the tractive unit and semi-trailer taken together does not exceed the maximum laden weight mentioned in subsection (6)(b)(i).

17 Other exceptions from charge at higher rate

- (1) Where a vehicle licence has been taken out for a vehicle of any description, duty at a higher rate applicable to a vehicle of another description does not become chargeable under section 15 unless the vehicle as used while the licence is in force satisfies all the conditions which must be satisfied in order to bring the vehicle into the other description of vehicle for the purposes of vehicle excise duty.
- (2) Where—
- (a) duty has been paid in respect of a vehicle at a rate applicable under Part VIII of Schedule 1, and
 - (b) the vehicle is to a substantial extent being used for the conveyance of goods or burden belonging to a particular person (whether the person keeping the vehicle or not),
- duty at a higher rate does not become chargeable under section 15 by reason only that the vehicle is used for the conveyance without charge in the course of their employment of employees of the person to whom the goods or burden belong.

Status: This is the original version (as it was originally enacted).

- (3) Where duty has been paid in respect of a vehicle at a rate applicable to a farmer's goods vehicle under Part VIII of Schedule 1, duty at a higher rate does not become chargeable under section 15 by reason only of use such as is specified in subsection (4) if it is shown that the conditions specified in subsection (5) are satisfied.
- (4) The use referred to in subsection (3) is use, on an occasion when the vehicle is being used by the person in whose name it is registered under this Act for the conveyance of produce of agricultural land which he occupies or of articles required for the purposes of such land, for the conveyance for another person engaged in agriculture of—
- (a) produce of agricultural land occupied by the other person, or
 - (b) articles required for the purposes of such land.
- (5) The conditions referred to in subsection (3) are—
- (a) that the use is only occasional,
 - (b) that the goods conveyed for the other person represent only a small proportion of the total amount of goods which the vehicle is conveying on the occasion, and
 - (c) that no payment or reward of any kind is, or is agreed to be, made or given for the conveyance of the goods of the other person.
- (6) Where duty has been paid in respect of a vehicle either—
- (a) as an agricultural tractor under Part IV of Schedule 1, or
 - (b) as a farmer's goods vehicle under Part VIII of that Schedule,
- duty at a higher rate does not become chargeable under section 15 by reason only that the vehicle is used, by the person in whose name it is registered under this Act, for conveying to or from any agricultural land occupied by him livestock owned by him in connection with the agricultural activities carried on by him on that land.
- (7) Subsection (6)—
- (a) applies only in Northern Ireland, and
 - (b) does not have effect in relation to a vehicle used for conveying any livestock which for the time being is part of the stock in trade of a dealer in cattle and is conveyed in the course of his business as such a dealer.
- (8) This section does not have effect where section 15 applies by reason of the use of a vehicle in contravention of a condition imposed under or by virtue of paragraph 13(2) of Schedule 1.

18 Vehicles for export becoming liable to VAT

- (1) Where, by virtue of sub-paragraph (2) of paragraph 23 of Schedule 2, a vehicle which is an exempt vehicle under sub-paragraph (1) of that paragraph is deemed never to have been an exempt vehicle under that sub-paragraph, vehicle excise duty is payable—
- (a) by the person by whom the vehicle was acquired from its manufacturer, in relation to the whole period since the registration of the vehicle, or
 - (b) by any other person who is for the time being the keeper of the vehicle, in relation to the period since the vehicle was first kept by him,
- unless, or except to the extent that, the Secretary of State waives payment of the duty.
- (2) Subsection (1) is without prejudice to section 30; but duty with respect to a vehicle is not payable by a person under that subsection in relation to any part of a period if

an amount with respect to it has been ordered to be paid by him under that section in relation to the part of the period.

19 Surrender of licences

- (1) Where a licence is surrendered to the Secretary of State under section 10(2) or 14(2), the holder is entitled to receive from the Secretary of State (by way of rebate of the duty paid on the licence) an amount equal to one-twelfth of the annual rate of duty chargeable on the licence in respect of each complete month of the period of the currency of the licence which is unexpired at the date of the surrender.
- (2) If during the currency of a temporary licence issued in pursuance of an application for a vehicle licence for any period the temporary licence is surrendered under section 10(2), it is treated for the purposes of subsection (1) as issued for that period.

20 Combined road-rail transport of goods

- (1) This section applies where—
 - (a) goods are loaded on a relevant goods vehicle for transport between member States,
 - (b) the vehicle is transported by rail between the nearest suitable rail loading station to the point of loading and the nearest suitable rail unloading station to the point of unloading, and
 - (c) part of the rail transport of the vehicle takes place in the United Kingdom at a time when a vehicle licence for it is in force.
- (2) Where this section applies, the holder of the licence is, on making a claim, entitled to receive from the Secretary of State (by way of rebate of the duty paid on the licence) an amount calculated by the method prescribed by regulations made by the Secretary of State.
- (3) In this section “relevant goods vehicle” means a goods vehicle which—
 - (a) has a plated gross weight or plated train weight (or, in Northern Ireland, a relevant maximum weight or relevant maximum train weight) which exceeds 3,500 kilograms, or
 - (b) does not have a plated gross weight or plated train weight (or relevant maximum weight or relevant maximum train weight) but has a design weight which exceeds 3,500 kilograms.
- (4) The Secretary of State may by regulations prescribe—
 - (a) when and how a claim for a rebate under this section is to be made, and
 - (b) the evidence to be provided in support of such a claim.