
Changes to legislation: Finance Act 1994, Paragraph 3 is up to date with all changes known to be in force on or before 13 June 2024. 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

SCHEDULES

[^{F1}SCHEDULE 6A

PREMIUMS LIABLE TO TAX AT THE HIGHER RATE

Textual Amendments

- F1** Sch. 6A inserted (19.3.1997 with effect as mentioned in s. 24 of the amending Act) by 1997 c. 16, s. 22(3), Sch. 4

PART II

DESCRIPTIONS OF PREMIUM

Insurance relating to domestic appliances etc.

- 3 (1) [^{F2}Subject to paragraph 5, a premium] under a taxable insurance contract relating to relevant goods falls within this paragraph if—
- (a) the contract is arranged through a person falling within sub-paragraph (2) below, or
 - (b) the insurer under the contract is a person falling within that sub-paragraph, unless the insurance is provided to the insured free of charge.
- (2) A person falls within this sub-paragraph if—
- (a) he is a supplier of relevant goods;
 - (b) he is connected with a supplier of relevant goods; or
 - (c) he pays—
 - (i) the whole or any part of the premium received under the taxable insurance contract, or
 - (ii) a fee connected with the arranging of that contract,to a supplier of relevant goods or to a person who is connected with a supplier of relevant goods.
- (3) Where a taxable insurance contract relating to relevant goods is arranged through a person who is connected with a supplier of relevant goods, the premium does not fall within this paragraph by virtue only of sub-paragraph (2)(b) above except to the extent that the premium is attributable to cover for a risk which relates to relevant goods supplied by a supplier of relevant goods with whom that person is connected.
- (4) Where the insurer under a taxable insurance contract relating to relevant goods is connected with a supplier of relevant goods, the premium does not fall within this paragraph by virtue only of sub-paragraph (2)(b) above except to the extent that the premium is attributable to cover for a risk which relates to relevant goods supplied by a supplier of relevant goods with whom the insurer is connected.

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- (5) For the purposes of this paragraph, the cases where insurance is provided to the insured free of charge are those cases where no charge (whether by way of premium or otherwise) is made—
- (a) in respect of the taxable insurance contract, or
 - (b) at or about the time when the taxable insurance contract is made and in connection with that contract, in respect of any insurance-related service,
- by any person falling within sub-paragraph (2) above to any person who is or becomes the insured (or one of the insured) under the contract or to any person who acts, otherwise than in the course of a business, for or on behalf of such a person.
- (6) In this paragraph—
- “relevant goods” means any electrical or mechanical appliance of a kind—
- (a) which is ordinarily used in or about the home; or
 - (b) which is ordinarily owned by private individuals and used by them for the purposes of leisure, amusement or entertainment;
- “supplier” does not include an insurer who supplies relevant goods as a means of discharging liabilities arising by reason of a claim under an insurance contract.
- (7) In sub-paragraph (6) above—
- “appliance” includes any device, equipment or apparatus;
- “the home” includes any private garden and any private garage or private workshop appurtenant to a dwelling.]

Textual Amendments

- F2** Words in [Sch. 6A para. 3\(1\)](#) substituted (1.4.2011) (with effect in accordance with art. 1(2) of the amending S.I.) by [The Insurance Premium Tax \(Discounted Insurance Premiums: Higher Rate\) Order 2011 \(S.I. 2011/661\)](#), arts. 1(1), [3](#)

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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. 16A(2)(g) inserted by [2023 c. 30 Sch. 13 para. 28](#)
- s. 160(2)-(7) modified by 2010 c. 8 s. 464(6) (as inserted) by [2017 c. 32 Sch. 5 para. 1](#)
- Sch. 5 para. 2(1)(pa) inserted by [S.I. 2022/109 reg. 4](#) (This amendment not applied to [legislation.gov.uk](#). The affecting statutory instrument has no legal effect. It was made under a procedure which meant that it ceased to have effect 28 days after signing unless it was debated and approved in Parliament within that time. It was not debated and approved within 28 days, so it has expired with no effect.)