



Finance Act 2002

2002 CHAPTER 23

PART 1

EXCISE DUTIES

Vehicle excise duty

15 Cars registered on or after 1st March 2001: rates of duty

- (1) For the Table in paragraph 1B of Schedule 1 to the Vehicle Excise and Registration Act 1994 (c. 22) (rates of duty applicable to light passenger vehicles registered on or after 1st March 2001 on basis of certificate specifying CO₂ emissions figure) substitute—

<i>“CO₂ emissions figure</i>		<i>Rate</i>		
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>
<i>Exceeding</i>	<i>Not exceeding</i>	<i>Reduced rate</i>	<i>Standard Rate</i>	<i>Premium rate</i>
<i>g/km</i>	<i>g/km</i>	<i>£</i>	<i>£</i>	<i>£</i>
–	120	60	70	80
120	150	90	100	110
150	165	110	120	130
165	185	130	140	150
185	–	150	155	160”

- (2) This section applies to any licence taken out on or after 18th April 2002 for a period beginning on or after 1st May 2002.

*Status: Point in time view as at 24/07/2002.**Changes to legislation: There are currently no known outstanding effects for the Finance Act 2002, Cross Heading: Vehicle excise duty. (See end of Document for details)***16 Vans registered on or after 1st March 2001: rates of duty**

- (1) For paragraph 1J of Schedule 1 to the Vehicle Excise and Registration Act 1994 (c. 22) (rate of duty applicable to light goods vehicles first registered on or after 1st March 2001) substitute—

- “1J The annual rate of vehicle excise duty applicable to a vehicle to which this Part of this Schedule applies is—
- (a) if the vehicle is not a lower-emission van, £160;
 - (b) if the vehicle is a lower-emission van, £105.

For the purposes of paragraph 1J, a vehicle to which this Part of this Schedule applies is a “lower-emission van” if—

- 1K
- (a) the vehicle is first registered on or after 1st March 2003, and
 - (b) the limit values given for the vehicle by the Table (which is extracted from the new table inserted in section 5.3.1.4 of Annex I of Council Directive [70/220/EEC](#) by Directive [98/69/EC](#) of the European Parliament and of the Council) are not exceeded during a Type I test.

<i>Reference mass of vehicle</i>	<i>Limit values for types of emissions by reference to vehicle type</i>							
	<i>CO</i>		<i>HC</i>		<i>NO_x</i>		<i>HC + NO_x</i>	
<i>kg</i>	<i>kg</i>	<i>g/km</i>	<i>g/km</i>	<i>g/km</i>	<i>g/km</i>	<i>g/km</i>	<i>g/km</i>	<i>g/km</i>
–	1,305	1.0	0.5	0.1	0.08	0.25	0.3	0.025
1,305	1760	1.81	0.63	0.13	0.1	0.33	0.39	0.04
1,760	3,500	2.27	0.74	0.16	0.11	0.39	0.46	0.06

- 1L In paragraph 1K—

“Type I test” means a test as described in section 5.3 of Annex I to Council Directive [70/220/EEC](#) as amended (test for simulating/verifying the average tailpipe emissions after a cold start and carried out using the procedure described in Annex III of that Directive as amended);

“the reference mass” of a vehicle means the mass of the vehicle with bodywork and, in the case of a towing vehicle, with coupling device, if fitted by the manufacturer, in running order, or mass of the chassis or chassis with cab, without bodywork and/or coupling device if the manufacturer does not fit the bodywork and/or coupling device (including liquids and tools, and spare wheel if fitted, and with the fuel tank filled to 90% and the other liquid

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containing systems, except those for used water, to 100% of the capacity specified by the manufacturer), increased by a uniform mass of 100 kilograms;

“CO” means mass of carbon monoxide;

“HC” means mass of hydrocarbons;

“NO_x” means mass of oxides of nitrogen;

“PM” means mass of particulates (for compression ignition engines).”.

- (2) Subsection (1) applies to any licence taken out for a period beginning on or after 1st March 2003.

17 Disclosure of information for vehicle excise duty exemptions

In the Vehicle Excise and Registration Act 1994 (c. 22), after section 22 insert—

“22ZA Nil licences for vehicles for disabled persons: information

- (1) This section applies to information that—
- (a) is held for the purposes of functions relating to social security or war pensions—
 - (i) by the Secretary of State, or
 - (ii) by a person providing services to the Secretary of State, in connection with the provision of those services, and
 - (b) is of a description prescribed by regulations made by the Secretary of State.
- (2) Information to which this section applies may, if the consent condition is satisfied, be supplied—
- (a) to the Secretary of State, or
 - (b) to a person providing services to the Secretary of State, for use for the purposes of relevant nil licence functions.
- (3) The “consent condition”, in relation to any information, is that—
- (a) if the information was provided by a person other than the person to whom the information relates, the person who provided the information, or
 - (b) in any other case, the person to whom the information relates, has consented to the supply of the information and has not withdrawn that consent.
- (4) Information supplied under subsection (2) shall not—
- (a) be supplied by the recipient to any other person unless—
 - (i) it could be supplied to that person under subsection (2), or
 - (ii) it is supplied for the purposes of any civil or criminal proceedings relating to this Act;
 - (b) be used otherwise than for the purposes of relevant nil licence functions or any such proceedings.

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(5) In this section “relevant nil licence functions” means functions relating to applications for, and the issue of, nil licences in respect of vehicles that are exempt vehicles under—

- (a) paragraph 19 of Schedule 2, or
- (b) paragraph 7 of Schedule 4.”.

18 Motorcycles (and motorcycle trade licences): rates of duty

(1) For paragraph 2(1) to (1B) of Schedule 1 to the Vehicle Excise and Registration Act 1994 (c. 22) (rates of duty applicable to motorcycles not exceeding 450 kilograms in weight unladen) substitute—

“2 (1) The annual rate of vehicle excise duty applicable to a motorcycle that does not exceed 450 kilograms in weight unladen is—

- (a) if the cylinder capacity of the engine does not exceed 150 cubic centimetres, £15;
- (b) if the vehicle is a motorbicycle and the cylinder capacity of the engine exceeds 150 cubic centimetres but does not exceed 400 cubic centimetres, £30;
- (c) if the vehicle is a motorbicycle and the cylinder capacity of the engine exceeds 400 cubic centimetres but does not exceed 600 cubic centimetres, £45;
- (d) in any other case, £60.”.

(2) In sections 13(3)(a), 35A(5)(b) and 36(3)(b) of that Act, and in section 13(4)(a) of that Act as substituted under paragraph 8 of Schedule 4 to that Act (references to paragraph 2(1)(c) of Schedule 1 in connection with motorcycle trade licences), for “(1)(c)” substitute “(1)(d)”.

(3) Subsection (1), and the amendments in section 13 of that Act, apply to any licence taken out on or after 18th April 2002 for a period beginning on or after 1st May 2002.

(4) The amendments in sections 35A and 36 of that Act apply where the relevant period begins on or after 1st May 2002.

19 Registered vehicles etc

(1) Schedule 5 to this Act, which provides—

for vehicle excise duty to be charged in respect of vehicles registered under the Vehicle Excise and Registration Act 1994 that are neither used nor kept on a public road,

for vehicle excise duty to be charged in respect of things that have been but have ceased to be mechanically propelled vehicles,

for supplements to be payable where vehicle licences are renewed late, and

for it to be an offence to be the person in whose name an unlicensed vehicle is registered under that Act,

has effect.

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- (2) Subject to subsection (3), subsection (1) shall not come into force until such day as the Secretary of State may appoint by order made by statutory instrument; and an order under this subsection may appoint different days for different purposes.
- (3) For the purpose of the exercise of any power to make regulations, subsection (1) comes into force on the day on which this Act is passed.
- (4) The Secretary of State may by order made by statutory instrument make—
 - (a) such transitional provision as he considers necessary or expedient in connection with the coming into force of subsection (1);
 - (b) such provision consequential upon, or incidental or supplementary to, the amendments made by Schedule 5 to this Act (including provision further amending the Vehicle Excise and Registration Act 1994) as he considers necessary or expedient.
- (5) A statutory instrument containing an order under subsection (4)(b) is subject to annulment in pursuance of a resolution of either House of Parliament.

Commencement Information

- II** S. 19 partly in force, s. 19(1) in force for specified purposes at 24.7.2002, otherwise *prosp.*, see s. 19(2)(3); s. 19(2)-(5) in force at 24.7.2002

20 Calculating cylinder capacity of vehicles

- (1) In paragraph 1 of Schedule 1 to the Vehicle Excise and Registration Act 1994 (c. 22) (annual rates of duty: general), after sub-paragraph (2A) insert—

“(2B) For the purposes of this Schedule the cylinder capacity of an engine shall be calculated in accordance with regulations made by the Secretary of State.”.
- (2) Omit—
 - (a) paragraph 2(4) of that Schedule (power to make regulations as to calculation of cylinder capacity of motorcycle engines), and
 - (b) section 57(8) of that Act (regulations under paragraph 2(4) of Schedule 1 not subject to annulment).
- (3) Any regulations—
 - (a) made under paragraph 2(4) of that Schedule or having effect as if so made, and
 - (b) in force or effective immediately before the passing of this Act,shall have effect after the passing of this Act as if made under the paragraph 1(2B) inserted in that Schedule by this section.
- (4) Subsection (3) has effect in place of section 17(2)(b) of the Interpretation Act 1978 (c. 30) (but is without prejudice to any other provision of that Act) and, in particular, the fact that the instrument containing any such regulations was not subject to annulment in pursuance of a resolution of either House of Parliament shall not prevent them being revoked, amended or re-enacted by regulations under that paragraph 1(2B).

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