#### STATUTORY INSTRUMENTS

## 2008 No. 2372

# **ROAD TRAFFIC**

The Sale of Registration Marks (Amendment) Regulations 2008

Made - - - - 9th September 2008

Laid before Parliament 12th September 2008

Coming into force - - 6th October 2008

The Secretary of State for Transport makes the following Regulations in exercise of the powers conferred by sections 27 and 57(2) of the Vehicle Excise and Registration Act 1994(1).

#### Citation and commencement

1. These Regulations may be cited as the Sale of Registration Marks (Amendment) Regulations 2008 and shall come into force on 6th October 2008.

### **Amendment of Regulations**

- **2.** The Schedule to the Sale of Registration Marks Regulations 1995(2) shall be amended in accordance with the following regulations.
  - **3.** In paragraph 1 (interpretation)—
    - (a) at the end of the definition of "purchaser" there shall be added "or any person in whom such right vests by operation of law";
    - (b) after the definition of "purchaser" there shall be inserted—
      - ""purchase period" means, in relation to the acquisition of a relevant right, the period of 12 months, 24 months or 36 months";
    - (c) after the definition of "the Registration and Licensing Regulations" "and" shall be omitted and there shall be inserted—

""relevant motor dealer" means a motor dealer selling or supplying vehicles to which Part 1A or Part 2 of Schedule 1 to the 1994 Act applies and to whom registration marks are allocated for assignment to such vehicles;

"relevant period" means the period during which a relevant right is exercisable;"; and

(d) after the definition of "relevant right" there shall be inserted—

<sup>(1) 1994</sup> c.22.

<sup>(2)</sup> S.I.1995/2880.

"; and

"vehicle licence" includes a nil licence."(3).

- 4. In paragraph 2 (acquisition of a relevant right) after sub-paragraph (2) there shall be added—
  - "(3) A relevant right shall be exercisable only during the purchase period or any extension of that period granted pursuant to paragraph 5(1)."
- **5.** In paragraph 3 (nominations)—
  - (a) in sub-paragraph (2) after "before a relevant right is exercised" there shall be inserted "or upon the exercise of a relevant right";
  - (b) in sub-paragraph (3)—
    - (i) sub-paragraphs (a) and (b) shall be omitted;
    - (ii) at the end of sub-paragraph (c) there shall be added "; and";
    - (iii) after sub-paragraph (c) there shall be inserted—
      - "(d) the applicant undertakes to destroy the certificate of entitlement where that is replaced by a new certificate of entitlement by virtue of paragraph 8(6).".
- **6.** In paragraph 4 (agreements for acquisition) at the end of sub-paragraph (2) there shall be added "and shall specify the duration of the purchase period".
  - 7. For paragraph 5 (duration and extension of relevant right) there shall be substituted—

### "Extensions

- **5.**—(1) Subject to sub-paragraph (3) the Secretary of State may extend on one or more occasions the relevant period.
- (2) Any such extension shall be for a period of 12 months, 24 months or 36 months beginning on the day after that on which the relevant period would end in the absence of any extension of that period.
  - (3) No extension of the relevant period shall be granted unless—
    - (a) the purchaser applies for the extension in the period commencing 28 days before the date on which the relevant period would end in the absence of any extension of that period;
    - (b) the fee referred to in paragraph 7, as appropriate to that application, is paid; and
    - (c) where the certificate of entitlement does not accompany the application, the purchaser undertakes to destroy that certificate.".
- **8.** At the end of paragraph 7 (payments on extension of a relevant right) there shall be added "for a period of 12 months, £50 for a period of 24 months and £75 for a period of 36 months".
  - 9. In paragraph 8 (certificates of entitlement)—
    - (a) in sub-paragraph (1)(c) for "one year period mentioned in paragraph 5(1)" there shall be substituted "purchase period specified in the agreement for acquisition of the relevant right";
    - (b) in sub-paragraph (2) for "the period mentioned in paragraph 5(1)" and "the period of extension" there shall be substituted "the relevant period";
    - (c) for sub-paragraphs (3), (4) and (5) there shall be substituted—

<sup>(3)</sup> A "nil licence" is defined in section 62(1) of the Vehicle Excise and Registration Act 1994.

- "(3) In the case of a certificate of entitlement which is alleged to have been lost the Secretary of State shall issue a replacement certificate if—
  - (a) the Secretary of State is satisfied that the certificate has been lost; and
  - (b) the purchaser undertakes to destroy the certificate if it is subsequently found and is in the purchaser's possession.
- (4) In the case of a certificate of entitlement which is alleged to have become defaced or illegible the Secretary of State shall issue a replacement certificate if—
  - (a) the Secretary of State is satisfied that the certificate has become defaced or illegible; and
  - (b) the purchaser undertakes to destroy the certificate.
- (5) In the case of a certificate of entitlement which is alleged to have been destroyed, the Secretary of State shall issue a replacement certificate if satisfied that it has been destroyed."; and
- (d) in sub-paragraph (6) for ", he shall" there shall be substituted "the Secretary of State shall, save where the application is accepted upon exercise of the relevant right,".
- 10. In paragraph 9 (exercise of a relevant right)—
  - (a) in sub-paragraph (2) for "regulation 10" there shall be substituted "sub-paragraph (2A) and paragraph 10";
  - (b) after sub-paragraph (2) there shall be inserted—
    - "(2A) Where—
      - (a) a relevant right has been granted to a purchaser in respect of a registration mark; and
      - (b) a relevant motor dealer is to assign that mark to a new vehicle,
      - the relevant right shall be exercisable by the purchaser surrendering the certificate of entitlement to the dealer."; and
  - (c) for sub-paragraph (3) there shall be substituted—
    - "(3) In this paragraph—
      - (a) "new" in relation to a vehicle means not registered in the United Kingdom or in any other country; and
      - (b) "the vehicle" means the vehicle in respect of which the purchaser wishes to exercise the relevant right.".
- 11. In paragraph 10 (conditions for the assignment of a registration mark) in sub-paragraph (2) (a) there shall be omitted "and the registration mark contains a single letter of the alphabet,".

Signed by authority of the Secretary of State

Jim Fitzpatrick
Parliamentary Under Secretary of State
Department for Transport

9th September 2008

#### **EXPLANATORY NOTE**

(This note is not part of the Regulations)

These Regulations amend the Sale of Registration Marks Regulations 1995.

These amending Regulations provide that—

- (a) the definition of "purchaser" includes a person in whom the right to have a particular registration mark assigned to a vehicle (a "relevant right") vests by operation of law (regulation 3(a));
- (b) a relevant right is no longer limited to a duration of 12 months as it may now also be acquired for a period of 24 or 36 months (regulations 3(b), 4, 6 and 9(a));
- (c) where a motor dealer who supplies new cars or motorcycles is to assign a registration mark a relevant right may be exercised by surrendering the certificate of entitlement to the dealer (regulations 3(c) and 10);
- (d) the period for which a relevant right may be extended is no longer limited to 12 months as it may now also be extended for a period of 24 or 36 months, upon payment of the fee of £50 and £75 respectively and there is amendment in consequence (*regulations 3(c), 4, 7, 8 and 9(b)*);
- (e) a relevant right is now exercisable in respect of vehicles which have a nil licence as well as those which have a vehicle licence (regulation 3(d));
- (f) a nomination may be made at the same time as the making of an application to exercise a relevant right and there is amendment in consequence (regulations 5(a) and 9(d));
- (g) neither a written application nor the submission of a certificate of entitlement is required when applying for a nomination or for an extension of the relevant period (*regulations 5(b)* (i) and 7);
- (h) the purchaser must undertake to destroy the certificate of entitlement as a condition of nomination prior to the exercise of a relevant right, or as a condition of applying to extend the relevant period without submitting such certificate (*regulation 5(b)(ii) and (iii) and 7*);
- (i) a replacement certificate must be issued if the Secretary of State is satisfied as to the loss, defacement or illegibility of the original and the purchaser gives an undertaking as to destruction (regulation 9(c)); and
- (j) the condition for assignment of a registration mark that it must not indicate that the vehicle to which the mark is to be assigned was first used more recently than is the case now also applies to registration marks consisting of a group of two letters and two numbers followed by a group of three letters, for example DE51 ABC (*regulation 11*).

A full impact assessment of the effect that this instrument will have on the costs of business and the voluntary sector is available from the Policy, Research and Development Directorate at the Driver and Vehicle Licensing Agency, Swansea, SA6 7SL and is annexed to the Explanatory Memorandum which is available alongside the instrument on the OPSI website, www.opsi.gov.uk. A copy of the assessment has been placed in the library of each House of Parliament.