



# Finance Act 1978

## 1978 CHAPTER 42

### PART I

#### CUSTOMS AND EXCISE

**1** .....<sup>F1</sup>

#### Textual Amendments

**F1** S. 1 repealed by [Tobacco Products Duty Act 1979 \(c. 7\), s. 11\(1\), Sch. 2](#)

**2** .....<sup>F2</sup>

#### Textual Amendments

**F2** S. 2 repealed by [Alcoholic Liquor Duties Act 1979 \(c. 4\), s. 92\(2\), Sch. 4 Pt. I](#)

**3—5.** .....<sup>F3</sup>

#### Textual Amendments

**F3** Ss. 3–5 repealed by [Customs and Excise Management Act 1979 \(c. 2\), s. 177\(3\), Sch. 6 Pt. I](#)

**6** **Anti-dumping measures on ECSC products.**

(1) In relation to any product covered by the ECSC treaty, the Secretary of State may by order make such provision as appears to him to be appropriate for the purpose of giving effect to any Recommendation or other [<sup>F4</sup>EU] obligation arising under that treaty and

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1978. (See end of Document for details)*

relating to the imposition, amendment, suspension, revocation or annulment of anti-dumping measures, that is to say, measures for affording protection against dumping or the granting of bounties or subsidies by countries which are not members of the [<sup>F5</sup>European Union].

(2) Without prejudice to the generality of the power conferred by subsection (1) above, so far as may be necessary for giving effect to [<sup>F4</sup>EU] obligation, an order under that subsection may, in circumstances specified in the order,—

- (a) require the provision of security of an amount determined under the order by way of provisional duty;
- (b) provide for the collection of the whole or a particular proportion of any amount so secured;
- (c) charge a duty of customs; and
- (d) make provisions of the order applicable to goods imported into the United Kingdom or another member State before the order comes into force ;

and the power to make an order under that subsection includes power to vary or revoke an order previously made in the exercise of that power and shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of the Commons House of Parliament.

(3) Where the application or amount of any charge imposed by an order under subsection (1) above depends in some factor other than the country of origin, the Commissioners may require the importer of any goods to state such facts as they may think necessary in order to determine the duty chargeable on those goods ; and if any facts so required are not stated, the duty chargeable shall be determined on the basis that the facts are such as the Commissioners may determine.

(4) <sup>F6</sup> . . . any duty chargeable on goods by virtue of subsection (1) above, <sup>F6</sup> . . . shall be addition to any other duty of customs for the time being chargeable on those goods.

- <sup>F7</sup>(5) .....
- <sup>F7</sup>(6) .....
- <sup>F7</sup>(7) .....
- <sup>F8</sup>(8) .....
- <sup>F7</sup>(9) .....

Textual Amendments	
<b>F4</b>	Words in Act substituted (22.4.2011) by <a href="#">The Treaty of Lisbon (Changes in Terminology) Order 2011 (S.I. 2011/1043)</a> , arts. 2, 3, 6 (with art. 3(2)(3), 4(2), 6(4)(5))
<b>F5</b>	Words in Act substituted (22.4.2011) by <a href="#">The Treaty of Lisbon (Changes in Terminology) Order 2011 (S.I. 2011/1043)</a> , arts. 2, 3, 4 (with art. 3(2)(3), 4(2), 6(4)(5))
<b>F6</b>	Words repealed by <a href="#">Excise Duties (Surcharges or Rebates) Act 1979 (c. 8)</a> , s. 4, <b>Sch. 2</b>
<b>F7</b>	S. 6(5)-(7)(9) repealed (31.7.1998) by <a href="#">1998 c. 36</a> , s. 165, <b>Sch. 27 Pt. V(4)</b>
<b>F8</b>	S. 6(8) repealed by <a href="#">Customs and Excise Duties (General Relief) Act 1979 (c. 3)</a> , Sch. 3 Pt. I

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**Textual Amendments**

**F9** S. 7 repealed by Finance Act 1980 (c. 48), s. 122, **Sch. 20 Pt. I**

**8 Vehicles Excise Duty: Great Britain.**

- F10**(1) .....
- F11**(2) .....
- F11**(3) .....
- F10**(4) .....
- F10**(5) .....

**Textual Amendments**

**F10** S. 8(1)(4)(5) repealed (1.9.1994) by 1994 c. 22, s. 65, **Sch. 5 Pt. I** (with s. 57(4))  
**F11** S. 8(2)(3) and words in s. 8(4) repealed (13.10.1993) by Finance (No.2) Act 1992 (c. 48), s. 82, **Sch. 18 Pt. IV**; S.I. 1993/2272, **reg. 2.**

**Modifications etc. (not altering text)**

**C1** The text of ss. 8, 9, 77, 80(3)(b) and Schs. 1, 11 and 13 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

**F129** .....

**Textual Amendments**

**F12** S. 9 repealed(1.10.1991) by Finance Act 1991 (c. 31, SIF 63:1), ss. 10, 123, **Sch. 19 Pt.IV**; S.I. 1991/2021, **art.2**

**10** ..... **F13**

**Textual Amendments**

**F13** S. 10 repealed by Excise Duties (Surcharges or Rebates) Act 1979 (c. 8), s. 4(3), **Sch. 2**

**PART II**

**VALUE ADDED TAX**

**11 Registration.**

(1) ..... **F14**

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1978. (See end of Document for details)*

[<sup>F15</sup>(3) After paragraph 10 of that Schedule (cancellation of registration) there shall be inserted—

“10A Where a registered person who has at any time ceased to be liable to be registered by virtue of paragraph 2 of this Schedule has before that time failed or subsequently failed to make any return or account for or pay any tax as required by or under this Act, the Commissioners may, if they think fit, cancel his registration with effect from such date as they may determine.”

(4) In paragraph 11 of that Schedule (discretionary registration) the existing provisions shall become sub-paragraph (1) and after those provisions there shall be inserted—

“(2) Where the Commissioners refuse to act or to continue to act on a request made by a person under sub-paragraph (1)(b) above, they shall give him written notice of their decision and of the grounds on which it was made.”;

and in section 40(1) of the said Act of 1972 (appeals) after paragraph (g) there shall be inserted—

“(g) any refusal to act or to continue to act on a request under paragraph 11(1)(b) of Schedule 1 to this Act;”.]

(5) ..... <sup>F14</sup>

**Textual Amendments**  
**F14** S. 11 (1)(2)(5)(6) repealed by Finance Act 1980 (c. 48), s. 122, Sch. 20 Pt. IV  
**F15** S. 11 (3)(4) repealed (E.W.S.) by Value Added Tax Act 1983 (c. 55), s. 50(2), Sch. 11

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**Modifications etc. (not altering text)**  
**C2** “that Schedule” is Schedule 1 to the Finance Act 1972 (c. 41)

12 ..... <sup>F16</sup>

**Textual Amendments**  
**F16** S. 12 repealed by Value Added Tax Act 1983 (c. 55), s. 50(2), Sch. 11

**PART III**  
INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER IGENERAL

13— ..... <sup>F17</sup>  
28.

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1978. (See end of Document for details)*

**Textual Amendments**

**F17** Ss. 13–28 repealed (with savings) by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, Schs. 30, **31**

**29 Divers and diving supervisors.**

**F18**(1) .....

**F19**(3) .....

**F20**(4) .....

**Textual Amendments**

**F18** S. 29(1)(2) repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, **Sch. 31**.

**F19** S. 29(3) repealed (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), **Sch. 10 Pt. 12** (with Sch. 9 paras. 1-9, 22)

**F20** S. 29(4) repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, **Sch. 31**

**30**— ..... **F21**  
**36.**

**Textual Amendments**

**F21** Ss. 30–36 repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, **Sch. 31**

**37**— ..... **F22**  
**40.**

**Textual Amendments**

**F22** Ss. 37–40 repealed by [Capital Allowances Act 1990 \(c. 1, SIF 63:1\)](#), s. 164(4)(5), **Sch. 2**

**41**— ..... **F23**  
**43.**

**Textual Amendments**

**F23** Ss. 41–43 repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, **Sch. 31**.

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**CHAPTER II**  
**CAPITAL GAINS**

**44** ..... <sup>F24</sup>

**Textual Amendments**  
**F24** S. 44 repealed by Capital Gains Tax Act 1979 (c. 14, SIF 63:2), s. 158, **Sch. 8**

**45** **Chattel exemption.**

- (1) ..... <sup>F25</sup>
- (5) In sections 12(2)(b) and 25(7) of the Taxes Management Act 1970 (information about chargeable gains) for “£1,000” there shall be substituted “£2,000”.
- (6) This section applies for the year 1978-79 and subsequent years of assessment; . . . <sup>F26</sup>

**Textual Amendments**  
**F25** S. 45(1)–(4) repealed by Capital Gains Tax Act 1979 (c. 14, SIF 63:2), s. 158, **Sch. 8**  
**F26** Words repealed by Capital Gains Tax Act 1979 (c. 14, SIF 63:2), s.158, **Sch.8**

**46**— ..... <sup>F27</sup>  
**52.**

**Textual Amendments**  
**F27** Ss. 46–52 repealed with savings by Capital Gains Tax Act 1979 (c. 14, SIF 63:2), s. 158, **Sch. 8**

**CHAPTER III**  
**PROFIT SHARING SCHEMES**

<sup>F28</sup>**53**— .....  
**61.**

**Textual Amendments**  
**F28** Ss. 53-61 repealed with savings by Income and Corporation Taxes Act 1988 (c. 1, SIF 63:1), s. 844, **Sch. 31.**

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## PART IV

### CAPITAL TRANSFER TAX

**62, 63.** ..... F29

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**Textual Amendments**

**F29** Ss. 62, 63 repealed (with savings) by Finance Act 1980 (c. 48), s. 122, Sch. 20 Pt. XI

**64—** ..... F30  
**74.**

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**Textual Amendments**

**F30** Ss. 64–74 repealed by Capital Transfer Tax Act 1984 (c. 51, SIF 65), ss. 274, 277, Schs. 7, 9

**75** ..... F31

.....  
**Textual Amendments**

**F31** S. 75 repealed by Finance Act 1984 (c. 42), s. 128(6), Sch. 23 Pt. XI

**76** ..... F32

.....  
**Textual Amendments**

**F32** S. 76 repealed by Finance (No. 2) Act 1979 (c. 47), s. 25(5), Sch. 5 Pt. IV

## PART V

### MISCELLANEOUS AND SUPPLEMENTARY

<sup>F33</sup>**77** **Disclosure of information to tax authorities in other member States.**  
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**Textual Amendments**

**F33** S. 77 repealed (10.7.2003) by Finance Act 2003 (c. 14), Sch. 43 Pt. 5(1)

**78** ..... F34

*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 1978. (See end of Document for details)

**Textual Amendments**

**F34** S. 78 repealed by Finance Act 1984 (c. 43), s. 128(6), **Sch. 23 Pt. XIV**

79 ..... <sup>F35</sup>

**Textual Amendments**

**F35** S. 79 repealed by Customs and Excise Management Act 1979 (c. 2), s. 177(3), **Sch. 6 Pt. I**

**80 Short title, interpretation, construction and repeals.**

- (1) This Act may be cited as the Finance Act 1978.
- (2) In this Act “the Taxes Act” means the Income and Corporation Taxes Act 1970.
- (3) In this Act—
  - (a) Part I (except sections 8 and 9) shall be construed as one with [<sup>F36</sup>the <sup>M1</sup>Customs and Excise Management Act 1979];
  - (b) Part II shall be construed as one with Part I of the <sup>M2</sup>Finance Act 1972;
  - (c) Part III, so far as it relates to income tax, shall be construed as one with the Income Tax Acts, so far as it relates to corporation tax shall be construed as one with the Corporation Tax Acts . . . <sup>F37</sup>;
  - (d) ..... <sup>F38</sup>
- (4) Except so far as the context otherwise requires, any reference in this Act to any enactment shall be construed as a reference to that enactment as amended, and as including a reference to that enactment as applied, by or under any other enactment, including this Act.
- (5) The enactments mentioned in Schedule 13 to this Act (which include spent enactments) are hereby repealed to the extent specified in the third column of that Schedule, but subject to any provision at the end of any Part of that Schedule.

**Textual Amendments**

- F36** Words substituted by Customs and Excise Management Act 1979 (c. 2), **Sch. 4 para. 12** Table Pt. I
- F37** Words repealed by Capital Gains Tax Act 1979 (c. 14, SIF 63:2), s. 158, **Sch.8**
- F38** S. 80(3)(d) repealed by Capital Transfer Tax Act 1984 (c. 51, SIF 65), s. 277, **Sch. 9**

**Modifications etc. (not altering text)**

**C3** The text of ss. 8, 9, 77, 80(3)(b) and Schs. 1, 11 and 13 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

**Marginal Citations**

- M1** 1979 c. 2.
- M2** 1972 c. 41.



**Changes to legislation:**

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