
EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends article 5 of the Motor Vehicles (International Circulation) Order 1975, which exempts from excise duty certain vehicles brought temporarily into the United Kingdom and updates definitions in article 2(7) of the same Order.

Relief from excise duty is already available under article 5(2)(b) to vehicles used for goods transport cabotage (domestic goods operations by operators registered in another Member State) within the scope of Regulation (EC) No. 1072/2009 of the European Parliament and of the Council of 21 October 2009 on common rules for access to the international road haulage market (OJ L300 72, 14.11.2009).

Article 2(2) updates the definitions of “EEA Agreement” and “EEA State” to align them with the Interpretation Act 1978.

Article 2(3) exempts a vehicle from excise duty when used for certain types of cabotage operations which are not already exempt under article 5(2)(b). The vehicle is exempt if it is used by a haulier resident outside the United Kingdom who is the holder of a Community licence provided that the vehicle is being used in Great Britain for the carriage only of vehicles in categories M₁ (vehicles designed and constructed for the carriage of passengers and comprising no more than eight seats in addition to the driver’s seat) and N₁ (vehicles designed and constructed for the carriage of goods and having a maximum mass not exceeding 3.5 tonnes), and the use is in specific times in the year being the period between 22nd February and 31st March and that between 25th August and 30th September.

A full impact assessment of the effect that this instrument will have on the costs of business and the voluntary sector is published with the Explanatory Memorandum alongside the instrument on <http://www.legislation.gov.uk>.