



Finance Act 1968

1968 CHAPTER 44

PART I

CUSTOMS AND EXCISE

1 Spirits, wine, British wine and tobacco

- (1) For the following provisions of the Finance Act 1964, as amended by section 1(2) of the Finance Act 1967, setting out rates of customs and excise duties, namely—
 - (a) Table 1 in Schedule 1 (spirits other than imported perfumed spirits);
 - (b) Schedule 3 (wine);
 - (c) Schedule 4 (British wine),there shall be substituted the provisions set out in Schedules 1, 2 and 3 respectively to this Act.
- (2) In section 1(2) of the Finance Act 1965 (which increased each of the rates of customs and excise duty and of drawback in respect of tobacco set out in Schedule 5 to the Finance Act 1964 by 10s. per pound) for the reference to 10s. there shall be substituted a reference to 14s. 4d.; but this subsection shall not affect the rates of drawback payable in the case of goods in respect of which duty has been paid otherwise than at the rates having effect by virtue of this section.
- (3) Section 109(1) of the Customs and Excise Act 1952 (which provides that no spirits shall be delivered for home use unless they have been warehoused for a period of at least three years) shall not apply to imported compounded spirits of any kind specified for the purposes of this subsection in regulations made by the Commissioners; and section 5 of the Finance Act 1966 (which contains an exemption from the said section 109(1) confined to imported vodka) shall cease to have effect on the expiration of the period of one month beginning with the day on which this Act is passed.
- (4) Subsections (1) and (2) of this section shall have effect as from 20th March 1968.

2 Hydrocarbon oils

- (1) As from six o'clock in the evening of 19th March 1968—
- (a) section 2 of the Finance (No. 2) Act 1964 (which, as amended by section 1(3) of the Finance Act 1967, provides for a duty of customs at the rate of three shillings and sevenpence a gallon to be charged on imported hydrocarbon oils and for a duty of excise at the same rate to be charged on hydrocarbon oils produced in the United Kingdom, on petrol substitutes and on spirits used for power methylated spirits) shall have effect with the substitution for the words " three shillings and sevenpence " of the words " three shillings and elevenpence " ;
 - (b) subsection (2) of section 92 of the Finance Act 1965 (which, as amended as aforesaid, provides that the amount of a grant under subsection (1) of that section by the Minister of Transport to the operator of a bus service towards defraying customs or excise duties charged on bus fuel shall not exceed tenpence for every gallon of fuel used or estimated to have been used in operating the bus service during the period to which the grant relates) and section 1(1)(b) of the Bus Fuel Grants Act 1966 (which, as amended as aforesaid, amends the said subsection (2)) shall have effect as if for any reference therein to tenpence there were substituted a reference to one shilling and twopence; and so much of subsection (9) of the said section 92 as enables the Parliament of Northern Ireland to make laws for purposes similar to the purposes of the provisions of that section shall apply to those provisions as amended by this paragraph.
- (2) Where in the case of any hydrocarbon oils which have been delivered for home use it is shown to the satisfaction of the Commissioners—
- (a) that since they were so delivered the oils have been deposited unused in an oil warehouse ; and
 - (b) that they have been so deposited by reason of having become contaminated or by reason of their consisting of different descriptions of hydrocarbon oils which have accidentally become mixed ; and
 - (c) that at the time when they were so deposited they were, or, as the case may be, were a mixture of, oils on which the appropriate duty of customs or excise had been paid and not repaid and on which drawback had not been allowed,
- then, subject to any conditions which the Commissioners see fit to impose for the protection of the revenue, the Commissioners may make to the occupier of that warehouse a payment in accordance with the provisions of subsection (3) of this section.
- (3) The payment aforesaid shall be a payment of an amount appearing to the Commissioners to be equal to the duty which would have been payable if—
- (a) the oils had not become contaminated or mixed; and
 - (b) they had first been delivered for home use at the time when they were deposited in the warehouse and the duty had first become chargeable on them on that delivery.
- (4) In this section the expression " oil warehouse " means a place of security approved by the Commissioners under section 80 of the Customs and Excise Act 1952 for the deposit, keeping and securing of hydrocarbon oils, and includes a refinery.

3 Reduction in customs duty on goods from Republic of Ireland and abolition of customs duty on hops etc.

- (1) As from 1st July 1968, in the case of goods of the Republic of Ireland consigned to the United Kingdom from that country—
 - (a) the rates at which the duties of customs are charged on matches by section 4 of the Finance Act 1951 and on mechanical lighters by section 6 of the Finance Act 1928 shall be the same as the corresponding rates of excise duty under those sections ;
 - (b) Schedule 3 to the Finance Act 1964 (rates of customs duty on wine) shall—
 - (i) in its application to wine exceeding 32 degrees of proof spirit, have effect as if the rate specified in the third column in respect of still wine in bottle were the same as the rate so specified in respect of still wine not in bottle ;
 - (ii) in its application to wine not exceeding 32 degrees of proof spirit, have effect as if the provisions of that Schedule were the same as those of Schedule 4 to that Act (rates of excise duties on British wine) with the substitution in the latter of " Customs Duties " for " Excise Duties " and the omission of " British " wherever it occurs ;
 - (c) Table 1 in Schedule 5 to the said Act of 1964 (rates of customs duties on tobacco) shall have effect as if any rate specified in the third column (Commonwealth rates) which exceeds the corresponding rate specified in the fourth column (Convention rates) were the same as that corresponding rate.
- (2) Section 3 of the Finance Act 1957 (which charges a duty of customs on hops, hop oil and any extract, essence or other similar preparation made from hops) shall cease to have effect as from the said 1st July, but without prejudice to any right of drawback in respect of duty paid under that section before that date.

4 Duties relating to betting or gaming

- (1) For the purposes of the general betting duty on bets made on or after 25th March 1968, section 12(2)(b) of the Finance Act 1966 (under which the amount of the duty is an amount equal to two and a half per cent, of the amount staked) shall have effect with the substitution for the words " two and a half per cent. " of the words " five per cent."
- (2) For the purposes of the pool betting duty on bets made at any time by reference to any event taking place on or after 25th March 1968, section 1(2) of the Betting Duties Act 1963 (which, as amended, provides that the duty shall be an amount equal to twenty-five per cent, of the amount of the stake money paid) shall have effect with the substitution for the words from " equal " onwards of the words " equal to thirty-three and a third per cent, of the amount of the stake money paid."
- (3) The amount of the duty under section 13 of the Finance Act 1966 on a gaming licence in respect of any premises granted so as to expire on a date later than 30th September 1968 shall be determined with the substitution for the Table set out in subsection (2) of that section of the Table set out in Schedule 4 to this Act.
- (4) The provisions of Schedule 5 to this Act shall have effect for the purposes of the enforcement of the duties relating to betting or gaming.

Status: This is the original version (as it was originally enacted).

5 Purchase tax

Subject to any new order of the Treasury under section 2 of the Purchase Tax Act 1963, Part I of Schedule 1 to that Act (chargeable and exempt goods and rates of tax) as amended by section 1(4) of the Finance Act 1967 shall have effect—

- (a) as from 20th March 1968 with the amendments specified in Schedule 6 to this Act; and
- (b) as from 30th April 1968 with the amendment of Group 26 by the omission from paragraph (a) and the insertion at the beginning of paragraph (b) of the words " Diaries, calendars and similar articles ; and " ; and
- (c) as from 1st July 1968 with the amendment of Group 24 by the addition after paragraph (4) of the exemptions of the following paragraph:—

“(5) The following projectors namely—

- (i) cinematograph projectors suitable only for film of 16 mm. width ;
- (ii) projectors suitable only for filmstrip ;
- (iii) cassette loaded loop projectors,

and parts and accessories suitable only for use with a projector of any of those descriptions.”

6 Customs control of persons entering or leaving the United Kingdom

- (1) Any person entering the United Kingdom shall, at such place and in such manner as the Commissioners may direct, declare any thing contained in his baggage or carried with him which—
 - (a) he has obtained outside the United Kingdom ; or
 - (b) being dutiable goods or chargeable goods within the meaning of the Purchase Tax Act 1963, he has obtained in the United Kingdom without payment of duty or purchase tax,
 and in respect of which he is not entitled to exemption from payment of duty and purchase tax by virtue of any order under section 7 of this Act.
- (2) Any person entering or leaving the United Kingdom shall answer such questions as the proper officer may put to him with respect to his baggage and any thing contained therein or carried with him, and shall, if required by the proper officer, produce that baggage and any such thing for examination at such place as the Commissioners may direct.
- (3) Any person failing to declare any thing or to produce any baggage or thing as required by this section shall be liable to a penalty of three times the value of the thing not declared or of the baggage or thing not produced, as the case may be, or £100, whichever is the greater; and any thing chargeable with any duty or tax which is found concealed or is not declared, and any thing which is being taken into or out of the United Kingdom contrary to any prohibition or restriction for the time being in force with respect thereto under or by virtue of any enactment, shall be liable to forfeiture.
- (4) Section 66 of the Customs and Excise Act 1952 (which is superseded by this section) shall cease to have effect; and section 67 of that Act (power to require evidence in support of information) shall have effect as if this section were contained in Part II of that Act.

7 Power to provide, in relation to persons entering the United Kingdom, for reliefs from customs duty and purchase tax and for a simplified computation of duty and tax

- (1) The Commissioners may by order make provision for conferring on persons entering the United Kingdom reliefs from customs duty and purchase tax; and any such relief may take the form either of an exemption from payment of duty and tax or of a provision whereby the sum payable by way of duty or tax is less than it otherwise would be.
- (2) Without prejudice to subsection (1) of this section, the Commissioners may by order make provision whereby, in such cases and to such extent as may be specified in the order, a sum calculated at a rate specified in the order is treated as the aggregate amount payable by way of customs duty and purchase tax in respect of goods imported by a person entering the United Kingdom; but any order making such provision as aforesaid shall enable the person concerned to elect that customs duty and purchase tax shall be charged on the goods in question at the rates which would be applicable apart from that provision.
- (3) An order under this section—
 - (a) may make any relief for which it provides subject to conditions, including conditions which are to be complied with after the importation of the goods to which the relief applies;
 - (b) may contain such incidental and supplementary provisions as the Commissioners think necessary or expedient, including provisions for the forfeiture of goods in the event of non-compliance with any condition subject to which they have been relieved from duty or tax;
 - (c) may make different provision for different cases.
- (4) The power to make orders under this section shall be exercisable by statutory instrument and shall include power to vary or revoke a previous order thereunder.
- (5) Any order under this section which removes, reduces or restricts any relief conferred by any previous order under this section shall cease to have effect at the end of the period of twenty-eight days beginning with the day on which the order is made (but without prejudice to anything previously done under the order or to the making of a new order) unless before the end of that period the order is approved by a resolution of the House of Commons; and any other order under this section shall be subject to annulment in pursuance of a resolution of the House of Commons.

In reckoning the said period of twenty-eight days no account shall be taken of any time during which Parliament is dissolved or prorogued or during which the House of Commons is adjourned for more than four days.
- (6) In this section "purchase tax" means purchase tax chargeable by virtue of section 11 of the Purchase Tax Act 1963 (tax on imported goods) and references to customs duty and to purchase tax include references to any addition thereto by virtue of section 9 of the Finance Act 1961 (surcharges on revenue duties).
- (7) Nothing in any order under this section shall be construed as authorising any person to import any thing in contravention of any prohibition or restriction for the time being in force with respect thereto under or by virtue of any enactment.

Status: This is the original version (as it was originally enacted).

8 Vehicles excise duty: increase of rates

- (1) For the rates of duty set out in Part II of Schedule 1, of Schedule 3, of Schedule 4 and of Schedule 5 to the Vehicles (Excise) Act 1962 as amended by section 5(1) of the Finance Act 1965 (annual rates of duty for licences other than trade licences) there shall be substituted respectively the rates of duty set out in Parts I, II, III and IV of Schedule 7 to this Act.
- (2) In section 12(5) of the said Act of 1962 as amended by section 5(2) of the said Act of 1965 (trade licences)—
 - (a) in paragraph (a) (general trade licences) for the words " forty-five pounds " and " nine pounds " there shall be substituted respectively the words " sixty pounds " and " twelve pounds ";
 - (b) in paragraph (b) (limited trade licences) for the words " nine pounds " and " two pounds " there shall be substituted respectively the words " twelve pounds " and " two pounds ten shillings ".
- (3) In relation to any hackney carriage or goods vehicle which is partly used for private purposes, the duty chargeable by virtue of Schedule 2 or Schedule 4 to the said Act of 1962, as the case may be, shall (if apart from this subsection it would be less) be equal to the duty which would be chargeable in respect of that hackney carriage or goods vehicle if Schedule 5 to that Act, and not the said Schedule 2 or 4, were applicable thereto.
- (4) For the purposes of the said Schedule 4, but without prejudice to the last foregoing subsection, a vehicle shall be treated as a farmer's goods vehicle notwithstanding that it is partly used for private purposes if, apart from that use, it would be a farmer's goods vehicle within the meaning of that Schedule.
- (5) In subsections (3) and (4) of this section " used for private purposes " means—
 - (a) as respects a hackney carriage, used otherwise than for the purpose of carrying passengers for hire or reward or of being let for hire;
 - (b) as respects a goods vehicle, used otherwise than for the conveyance of goods or burden for hire or reward or for or in connection with a trade or business (including the performance by a local or public authority of its functions).
- (6) This section applies to licences taken out after 19th March 1968.

9 Vehicles excise duty: trade licences for vehicle testing

For the purpose of enabling certain persons engaged in the testing of vehicles to take out trade licences under section 12 of the Vehicles (Excise) Act 1962, that section (which at present applies only to motor traders) shall be amended as follows:—

- (a) in subsections (1) and (2) after the words " motor trader " there shall be inserted the words " or vehicle tester " ;
- (b) at the end of subsection (10) there shall be added the words " ; and ' vehicle tester' means a person, other than a motor trader, who regularly in the course of his business engages in the testing on roads of mechanically propelled vehicles belonging to other persons. "

10 Continuation of powers under s. 9 of Finance Act 1961

- (1) The period after which orders of the Treasury under section 9 of the Finance Act 1961 may not be made or continue in force (which, by section 1(1)(b) of the Finance Act 1967, was extended until the end of August 1968) shall extend until the end of August 1969 or such later date as Parliament may hereafter determine.
- (2) In consequence of the abolition by section 12(6) of the Finance Act 1966 of bookmakers' licence duty, the said section 9 shall have effect as if for subsection (3) (b) thereof there were substituted the following:—
 - “(b) every duty of excise other than a duty payable on a licence; and”.