



Finance Act 1985

1985 CHAPTER 54

PART I

CUSTOMS AND EXCISE AND VALUE ADDED TAX

CHAPTER I

CUSTOMS AND EXCISE

The rates of duty

1 Spirits, beer, wine, made-wine and cider.

- (1) In section 5 of the ^{M1}Alcoholic Liquor Duties Act 1979 (excise duty on spirits) for “£15.48” there shall be substituted “£15.77”.
- (2) In section 36 of that Act (excise duty on beer) for “£24.00” and “£0.80” there shall be substituted “£25.80” and “£0.86” respectively.
- (3) For the Table of rates of duty in Schedule 1 to that Act (wine and made-wine) there shall be substituted the Table in Schedule 1 to this Act.
- (4) With respect to wine or made-wine imported into or produced in the United Kingdom on or after 29th July 1985, Schedule 1 to this Act shall have effect with the substitution—
 - (a) for the words “of less than 15”, in each place where they occur, of the words “not exceeding 15”; and
 - (b) for the words “of not less than 15” of the words “exceeding 15”.
- (5) In section 62(1) of that Act (excise duty on cider) for “£14.28” there shall be substituted “£15.80”.
- (6) This section and Schedule 1 to this Act shall be deemed to have come into force on 20th March 1985.

Status: Point in time view as at 18/04/2005.
Changes to legislation: There are currently no known outstanding effects for the Finance Act 1985. (See end of Document for details)

Marginal Citations

M1 1979 c. 4.

2 F1

Textual Amendments

F1 S. 2 repealed by Finance Act 1986 (c. 41, SIF 40:1), s. 114, Sch. 23 Pt. I

3 Hydrocarbon oil.

- (1) In section 6(1) of the ^{M2}Hydrocarbon Oil Duties Act 1979 (rates of duty on hydrocarbon oil) for “£0.1716” (light oil) and “£0.1448” (heavy oil) there shall be substituted “£0.1794” and “£0.1515” respectively.
- (2) This section shall be deemed to have come into force at 6 o’clock in the evening of 19th March 1985.

Marginal Citations

M2 1979 c. 5.

4 Vehicles excise duty.

- F2(1)
- F2(2)
- F2(3)
- F3(4)
- F2(5)
- F2(6)
- F2(7)
- F2(8)

Textual Amendments

- F2 S. 4(1)-(3)(5)-(8) repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), Sch. 5 Pt. I (with s. 57(4))
- F3 S. 4(4) repealed (3.5.1994 with effect in relation to licences taken out after 30.11.1993) by 1994 c. 9, s. 258, Sch. 26 Pt. I

Status: Point in time view as at 18/04/2005.
Changes to legislation: There are currently no known outstanding effects for the Finance Act 1985. (See end of Document for details)

Other provisions

5 Blending of certain wines to constitute production of wine.

(1) In section 54 of the ^{M3}Alcoholic Liquor Duties Act 1979 (charge of excise duty on wine) at the end of subsection (3) there shall be inserted the following subsections:—

“(3A) For the purposes of this Act, the process of blending or otherwise mixing two or more wines (in this subsection referred to as “the constituent wines”) constitutes the production of wine if—

- (a) the rate of duty applicable to one of the constituent wines is different from that applicable to the other or, as the case may be, at least one of the others; and
- (b) the rate of duty applicable to the wine which is the product of the blending or other mixing is higher than that which is applicable to at least one of the constituent wines; and
- (c) the blending or other mixing is with a view to dealing wholesale in the wine is the product thereof;

and for the purposes of this subsection the rate of duty applicable to any wine is that which is or would be chargeable under subsection (1) above on its importation into the United Kingdom or, as the case may be, on its production as mentioned in paragraph (b) of that subsection.

(3B) Where, by virtue of subsection (3A) above, wine is produced in the United Kingdom, duty shall be chargeable on that wine by virtue of paragraph (b) of subsection (1) above whether or not duty was previously charged on all or any of the constituent wines by virtue of paragraph (a) or paragraph (b) of that subsection; but nothing in this subsection shall affect the operation of any regulations under section 56 below giving relief from duty on wine so produced by reference to duty charged on all or any of the constituent wines.”

(2) Subsection (1) above has effect in relation to the blending or otherwise mixing of wines on or after 26th March 1985.

Marginal Citations

M3 1979 c. 4.

6 Miscellaneous amendments relating to spirits and beer.

(1) The ^{M4}Alcoholic Liquor Duties Act 1979 shall have effect subject to the amendments in Schedule 3 to this Act (being amendments relating to spirits and beer).

(2) Paragraphs 3 and 4 of Schedule 3 to this Act shall come into operation on such day as the Commissioners of Customs and Excise may by order made by statutory instrument appoint; and a different day may be so appointed for each of those paragraphs.

Subordinate Legislation Made

P1 Power of appointment conferred by s. 6(2) fully exercised: 29.10.1985 appointed by [S.I. 1985/1622](#), [art. 2](#)

Status: Point in time view as at 18/04/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1985. (See end of Document for details)

Marginal Citations

M4 1979 c. 4.

7 Hydrocarbon oil: mixing etc.

- (1) Schedule 4 to this Act (which contains provisions about mixing hydrocarbon oil etc.) shall have effect.
- (2) That Schedule shall come into operation on such day as the Commissioners of Customs and Excise may by order made by statutory instrument appoint.

Subordinate Legislation Made

P2 Power of appointment conferred by s. 7(2) fully exercised: 15.10.1985 appointed by [S.I. 1985/1451](#), [art. 2](#)

8 Gaming machine licence duty.

- (1) The ^{M5}Betting and Gaming Duties Act 1981 (in this section referred to as “the 1981 Act”) shall have effect subject to the amendments in Part I of Schedule 5 to this Act, being amendments designed—
 - (a) enable the type of gaming machine licence which may be granted and the amount of duty payable thereon to be determined by reference to the value of the maximum prize obtainable by a successful player of the machine; and
 - (b) to extend to Northern Ireland the provisions of the 1981 Act relating to gaming machine licence duty.
- (2) Part II of Schedule 5 to this Act shall have effect for the purpose of extending to Northern Ireland certain subordinate legislation made under the 1981 Act.
- (3) Nothing in Schedule 5 to this Act has effect with respect to licences granted or to be granted for any period beginning before 1st October 1985.
- (4) In consequence of the extension to Northern Ireland referred to in subsection (1)(b) above, no gaming machine licence shall be issued under Part V of the ^{M6}Miscellaneous Transferred Excise Duties Act (Northern Ireland) 1972 in respect of any period beginning on or after 1st October 1985.

Marginal Citations

M5 1981 c. 63

M6 1972 c. 11 (N.I.).

F⁴9 Vehicles excise duty: fees.

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Textual Amendments

F4 S. 9 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

Status: Point in time view as at 18/04/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1985. (See end of Document for details)

10 Computer records etc.

- (1) Any provision made by or under any enactment which requires a person, in connection with any assigned matter,—
 - (a) to produce, furnish or deliver any document, or cause any document to be produced, furnished or delivered, or
 - (b) to permit the Commissioners of Customs and Excise (in this section referred to as “the Commissioners”) or a person authorised by them—
 - (i) to inspect any document, or
 - (ii) to make or take extracts from or copies of or remove any document,shall have effect as if any reference in that provision to a document [^{F5}were a reference to anything in which information of any description is recorded and any reference to a copy of a document were a reference to anything onto which information recorded in the document has been copied, by whatever means and whether directly or indirectly]
- (2) In connection with any assigned matter, a person authorised by the Commissioners to exercise the powers conferred by this subsection—
 - (a) shall be entitled at any reasonable time to have access to, and inspect and check the operation of, any computer and any associated apparatus or material which is or has been in use in connection with any document to which this subsection applies; and
 - (b) may require—
 - (i) the person by whom or on whose behalf the computer is or has been so used, or
 - (ii) any person having charge of, or otherwise concerned with the operation of, the computer, apparatus or material,to afford him such reasonable assistance as he may require for the purposes of paragraph (a) above.
- (3) Subsection (2) above applies to any document [^{F5}, within the meaning given by subsection (1) above,] which, in connection with any assigned matter, a person is or may be required by or under any enactment—
 - (a) to produce, furnish or deliver, or cause to be produced, furnished or delivered; or
 - (b) to permit the Commissioners or a person authorised by them to inspect, make or take extracts from or copies of or remove.
- (4) Any person who—
 - (a) obstructs a person authorised under subsection (2) above in the exercise of his powers under paragraph (a) of that subsection, or
 - (b) without reasonable excuse fails to comply within a reasonable time with a requirement under paragraph (b) of that subsection,shall be liable on summary conviction to a penalty of level 4 on the standard scale ^{F6} . . .
- (5) In each of the enactments mentioned in subsection (6) below (which create offences in relation, among other matters, to false documents) “document” shall have [^{F5}the meaning given by subsection (1) above].
- (6) The enactments referred to in subsection (5) above are—

Status: Point in time view as at 18/04/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1985. (See end of Document for details)

- (a) paragraph 4(1) of Schedule 1 to the ^{M7}Miscellaneous Transferred Excise Duties Act (Northern Ireland) 1972 (false statements and documents in connection with pool betting duty);
 - (b) paragraph 8(1) of Schedule 2 to that Act (false statements and documents in connection with general betting duty);
 - (c) section 167 of the ^{M8}Customs and Excise Management Act 1979 (untrue declarations etc.);
 - (d) section 168 of that Act (counterfeit documents etc.);
 - (e) section 15 of the ^{M9}Customs and Excise Duties (General Reliefs) Act 1979 (false statements and documents in connection with reliefs);
 - (f) paragraph 13(3) of Schedule 1 to the ^{M10}Betting and Gaming Duties Act 1981 (false statements and documents in connection with betting duty);
 - (g) paragraph 7(3) of Schedule 2 to that Act (false statements and documents in connection with gaming licence duty);
 - ^{F7}(h)
- ^{F8}(7)

(8) In this section “assigned matter” means any matter which is an assigned matter for the purposes of the ^{M11}Customs and Excise Management Act 1979.

Textual Amendments

- F5** Words in s. 10(1)(3)(5) substituted (31.1.1997) by 1995 c. 38, s. 15(1), **Sch. 1 para. 11(1)-(4)** (with ss. 1(3), 6(4)(5), 14); S.I. 1996/3217, **art. 2**
- F6** Words in s. 10(4) repealed (5.11.1993) by 1993 c. 50, s. 1(1), **Sch. 1 Pt. XIV**
- F7** S. 10(6)(h) repealed (22.7.2004) by Statute Law (Repeals) Act 2004 (c. 14), **Sch. 1 Pt. 9** Group 5
- F8** S. 10(7) repealed (31.1.1997) by 1995 c. 38, s. 15(1)(2), Sch. 1 para. 11(5), **Sch. 2** (with ss. 1(3), 6(4)(5), 14); S.I. 1996/3217, **art. 2**

Modifications etc. (not altering text)

- C1** S. 10 excluded (18.4.2005) by Commissioners for Revenue and Customs Act 2005 (c. 11), s. 53(1), **Sch. 2 para. 8**; S.I. 2005/1126, art. 2(2)(d)

Marginal Citations

- M7** 1972 c. 11 (N.I.)
- M8** 1979 c. 2.
- M9** 1979 c. 3.
- M10** 1981 c. 63.
- M11** 1979 c. 2

CHAPTER II

VALUE ADDED TAX

Modifications etc. (not altering text)

- C2** Pt. I Chapter II (ss. 11-13) modified by Finance Act 1988 (c. 39, SIF 40:2), s. 21(a)

Status: Point in time view as at 18/04/2005.
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Newspaper advertisements

F⁹11

Textual Amendments

F9 S. 11 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), [Sch. 15](#)

Offences etc.

F¹⁰12

Textual Amendments

F10 S. 12 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), [Sch. 15](#)

Civil penalties

F¹¹13

Textual Amendments

F11 S. 13 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), [Sch. 15](#)

F¹²13A

Textual Amendments

F12 S. 13A repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), [Sch. 15](#)

F¹³14

Textual Amendments

F13 S. 14 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), [Sch. 15](#)

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F14 **14A**

Textual Amendments

F14 S. 14A repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

F15 **14B**

Textual Amendments

F15 S. 14B repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

F16 **15**

Textual Amendments

F16 S. 15 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15 (and subject to amendment by 1995 c. 4, s. 32(2)-(4))

F17 **15A**

Textual Amendments

F17 S. 15A repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

F18 **16**

Textual Amendments

F18 S. 16 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

F19 **17**

Textual Amendments

F19 S. 17 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

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F20 **17A**

Textual Amendments

F20 S. 17A repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), **Sch. 15**

Interest, surcharges and supplements

F21 **18**

Textual Amendments

F21 S. 18 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), **Sch. 15**

F22 **19**

Textual Amendments

F22 S. 19 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), **Sch. 15**

F23 **20**

Textual Amendments

F23 S. 20 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), **Sch. 15**

Assessments, records and information

F24 **21**

Textual Amendments

F24 S. 21 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), **Sch. 15**

F25 **22**

Status: Point in time view as at 18/04/2005.
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Textual Amendments
F25 S. 22 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23 ss. 100(2), Sch. 15

F26 **23**

Textual Amendments
F26 S. 23 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

Appeals

F27 **24**

Textual Amendments
F27 S. 24 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

F28 **25**

Textual Amendments
F28 S. 25 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

F29 **26**

Textual Amendments
F29 S. 26 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

F30 **27**

Textual Amendments
F30 S. 27 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

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Miscellaneous

F³¹28

Textual Amendments

F31 S. 28 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

F³²29

Textual Amendments

F32 S. 29 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

F³³30

Textual Amendments

F33 S. 30 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

F³⁴31

Textual Amendments

F34 S. 31 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

32 F³⁵

Textual Amendments

F35 S. 32 repealed by Finance Act 1990 (c. 29, SIF 40:2), s. 132, Sch. 19 Pt. III Note 1 and is expressed to be repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), Sch. 15

F³⁶33

Status: Point in time view as at 18/04/2005.
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Textual Amendments
F36 S. 33 repealed (1.9.1994 with effect as mentioned in s. 101(1) of the amending Act) by 1994 c. 23, ss. 100(2), **Sch. 15**

PART II

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER I

GENERAL

34— ^{F37}
49.

Textual Amendments
F37 Ss. 34–49, 73–77, Schs. 9–13, 18, 22, 23, 25 paras. 7–9 repealed by **Income and Corporation Taxes Act 1988** (c. 1, SIF 63:1), s. 844, **Sch. 31**

^{F38}**50**

Textual Amendments
F38 S. 50 repealed (1.5.1995 with effect as mentioned in Sch. 29 Pt. VIII(16) Note 5 of the amending Act) by 1995 c. 4, s. 162, **Sch. 29 Pt. VIII(16)**

51—53 ^{F39}

Textual Amendments
F39 Ss. 51–53 repealed by **Income and Corporation Taxes Act 1988** (c.1, SIF 1), s. 844, **Sch. 31**

^{F40}**54** **Withdrawal of right of certain non-resident companies to payment of tax credits.**

(1) This section applies to a company which has, or is an associated company of a company which has, a qualifying presence in a unitary state and, at any time when it or its associated company has such a qualifying presence, is entitled by virtue of arrangements having effect under section 497(1) of the Taxes Act (relief by agreement with other countries) to a tax credit under section 86 of the ^{M12}Finance Act 1972 (tax credit for certain recipients of qualifying distributions) in respect of qualifying distributions made to it by companies which are resident in the United Kingdom which

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is equal to one half of the tax credit to which an individual resident in the United Kingdom would be entitled in respect of such distributions.

- (2) Schedule 13 to this Act has effect to supplement the provisions of this section.
- (3) Notwithstanding anything to the contrary in the arrangements referred to above and subject to paragraph 2 of the said Schedule, a company to which this section applies shall not be entitled to claim under subsection (4) of the said section 86 to have the tax credit referred to in subsection (1) above set against the income tax chargeable on its income for the year of assessment in which the distribution is made or, where the credit exceeds that income tax, to have the excess paid to it.
- (4) A company shall be treated as having a qualifying presence in a unitary state if it is a member of a group and, in any period for which members of the group make up their accounts ending after the relevant date, 7½ per cent or more in value of the property, payroll or sales of such members situated in, attributable to or derived from the territory outside the United Kingdom, of which that state is a province, state or other part, are situated in, attributable to or derived from that state.
- (5) For the purposes of subsection (4) above—
 - (a) 7½ per cent or more in value of such property, payroll or sales as are referred to in that subsection shall be treated as being situated in, attributable to or derived from the state there referred to, unless, on making any claim under subsection (4) of the said section 86, the claimant proves otherwise to the satisfaction of the Board, and
 - (b) the value of the property, payroll or sales of a company shall be taken to be the value as shown in its accounts for the period in question and for this purpose the value of any property consisting of an interest in another member of the group or of any sales made to another such member shall be disregarded.
- (6) In this section “the relevant date” means the date on which this section comes into force or, if earlier, the earliest date on which a distribution could have been made in relation to which the provisions of this section are applied by an order made under this section.
- (7) This section shall come into force on such date as the Treasury may by order made by statutory instrument appoint and the Treasury may in addition by order made by statutory instrument—
 - (a) prescribe that the provisions of this section shall apply in relation to distributions made on or after a date before that on which the order bringing them into force is made, being a date not earlier than 1st April 1985,
 - (b) prescribe those provinces, states or other parts of a territory outside the United Kingdom which are to be treated as unitary states for the purposes of this section, and
 - (c) prescribe that for subsections (4) and (5) of this section (or for those subsections as they have effect at any time) there shall be substituted either the following provisions—
 - “(4) A company shall be treated as having a qualifying presence in a unitary state if it is subject to tax in such a state for any period ending after the relevant date for which that state charges tax.
 - (5) For the purposes of subsection (4) above a company shall be regarded as subject to tax in a unitary state if it is liable there to a tax charged on

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its income or profits by whatever name called and shall be treated as so charged unless it proves otherwise to the satisfaction of the Board” or the following provisions—

“(4) A company shall be treated as having a qualifying presence in a unitary state if it has its principal place of business in such a state at any time after the relevant date.

(5) For the purposes of subsection (4) above—

- (a) a company shall be treated as having its principal place of business in a unitary state unless it proves otherwise to the satisfaction of the Board, and
- (b) the principal place of business of a company shall include both the place where the central management and control of the company is exercised and the place where the immediate day-to-day management of the company as a whole is exercised.”

(8) No order shall be made under this section unless a draft of it has been laid before and approved by a resolution of the Commons House of Parliament.]

Textual Amendments

F40 S. 54 repealed by [Income and Corporation Taxes Act 1988 \(c.1\)](#), s. 844, [Sch. 31](#) (with saving in [Sch. 30 para. 20](#))

Marginal Citations

M12 1972 c. 41.

CHAPTER II

CAPITAL ALLOWANCES

55—59 **F41**

Textual Amendments

F41 Ss. 55–59, 61–66 and Schs. 14–17 repealed by [Capital Allowance Act 1990 \(c. 1\)](#), s. 164(4)(5), [Sch. 2](#)

60 **F42**

Textual Amendments

F42 Ss. 51–53 repealed by [Income and Corporation Taxes Act 1988 \(c.1, SIF 1\)](#), s. 844, [Sch. 31](#)

61—66 **F43**

Status: Point in time view as at 18/04/2005.
Changes to legislation: There are currently no known outstanding effects for the Finance Act 1985. (See end of Document for details)

Textual Amendments

F43 Ss. 55–59, 61–66 and Schs. 14–17 repealed by [Capital Allowance Act 1990 \(c. 1\)](#), s. 164(4)(5), [Sch. 2](#)

CHAPTER III

CAPITAL GAINS

F44 **67**

Textual Amendments

F44 S. 67 repealed (6.3.1992 with effect as mentioned in s. 289(1) of the 1992 repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289(1)(2), 290, [Sch.12](#) (with s. 201(3), Sch. 11 paras. 22, 26(2), 27)

F45 **68**

Textual Amendments

F45 S. 68 repealed (6.3.1992 with effect as mentioned in s. 289(1) of the 1992 repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289(1)(2), 290, [Sch.12](#) (with s. 201(3), Sch. 11 paras. 22, 26(2), 27)

F46 **69**

Textual Amendments

F46 S. 69 repealed (6.3.1992 with effect as mentioned in s. 289(1) of the 1992 repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289(1)(2), 290, [Sch.12](#) (with s. 201(3), Sch. 11 paras. 22, 26(2), 27)

F47 **70**

Textual Amendments

F47 S. 70 repealed (6.3.1992 with effect as mentioned in s. 289(1) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289(1)(2), 290, [Sch.12](#) (with s. 201(3), Sch. 11 paras. 20, 26(2), 27)

F48 **71**

Status: Point in time view as at 18/04/2005.
Changes to legislation: There are currently no known outstanding effects for the Finance Act 1985. (See end of Document for details)

Textual Amendments
F48 S. 71 repealed (6.3.1992 with effect as mentioned in s. 289(1) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289(1)(2), 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 22, 26(2), 27)

72 ^{F49}

Textual Amendments
F49 S. 72 repealed (6.3.1992 with effect as mentioned in s. 289(1) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289(1)(2), 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 22, 26(2), 27)

CHAPTER IV

SECURITIES

73— ^{F50}
77.

Textual Amendments
F50 Ss. 34–49, 73–77, Schs. 9–13, 18, 22, 23, 25 paras. 7–9 repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, **Sch. 31**

PART III

STAMP DUTY

78— ^{F51}
80.

Textual Amendments
F51 Ss. 78, 79 and 80 repealed by [Finance Act 1986 \(c. 41, SIF 114\)](#), ss. 73, 74(1)(c)(3), 114, Sch. 23 Pt. IX(1) Note 1

81 Renounceable letters of allotment etc.

- (1) Subsection (2) below applies where there is an arrangement whereby—
 - (a) rights under an instrument are renounced in favour of a person (A),
 - (b) the rights are rights to shares in a company (company B), and

Status: Point in time view as at 18/04/2005.

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- (c) A, or a person connected with A, or A and such a person together, has or have control of company B or will have such control in consequence of the arrangement.

[^{F52}(2) The instrument shall not be exempt by virtue of paragraph 24(d) of Schedule 13 to the Finance Act 1999 (renounceable letters of allotment, etc.) from stamp duty under or by reference to Part I of that Schedule (conveyance or transfer on sale).]

- (3) References in this section to shares in company B include references to its loan capital to which [^{F53}section 79(4) of the Finance Act 1986 does not apply by virtue of section 79(5) or (6)](convertible loan capital and excessive return capital).
- (4) In this section “ shares” includes stock.
- (5) For the purposes of this section a person has control of company B if he has power to control company B's affairs by virtue of holding shares in, or possessing voting power in relation to, company B or any other body corporate.
- (6) For the purposes of this section one person is connected with another if he would be so connected for the purposes of the [^{F54}Taxation of Chargeable Gains Act 1992].
- (7) This section applies to instruments if rights are renounced under them on or after 1st August 1985, except where the arrangement concerned includes an offer for the rights and on or before 27th June 1985 the offer became unconditional as to acceptances.

Textual Amendments

- F52** S. 81(2) substituted (with effect in accordance with s. 112(6) of the amending Act) by Finance Act 1999 (c. 16) ss. 112(4), 122, {Sch. 14 para. 8}
- F53** Words in s. 81(3) substituted (with effect in accordance with s. 112(6) of the amending Act) by Finance Act 1999 (c. 16) ss. 112(4), 122, {Sch. 14 para. 8}
- F54** Words in s. 81 substituted (6.4.1992) by 1992 (c. 12), s. 290, {Sch. 10 para. 9}

82 Gifts inter vivos.

- (1) The stamp duty chargeable by virtue of section 74 of the ^{M13}Finance (190910) Act 1910 (gifts inter vivos) is abolished.
- (2) In section 58(7) of the Stamp Act 1891 (valuation by reference to value for purposes of section 74 of 1910 Act) for the words from “the value” to the end there shall be substituted “the value at any time of any property, that value shall be taken to be the price which the property might reasonably be expected to fetch on a sale at that time in the open market.”
- (3) In section 90(5) of the ^{M14}Finance Act 1965 (which relates to valuation for the purposes of subsection (1) of that section and of section 74 of the 1910 Act) for “either of those provisions” there shall be substituted “that subsection”; and in section 4(5) of the ^{M15}Finance Act (Northern Ireland) 1965 (which makes similar provision) for “either of those provisions” there shall be substituted “that subsection”.
- (4) In section 15(1) of the ^{M16}Finance (No. 2) Act 1983 (relief from duty under section 74 of the 1910 Act for local constituency associations) for the words from “7 above” to the end there shall be substituted “7 above, section 57 of the ^{M17}Stamp Act 1891 shall not apply in relation to a conveyance or transfer by which the disposal or, in the case of paragraph (b), either of the disposals referred to in that paragraph is effected.”

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- (5) An instrument—
- (a) in respect of which stamp duty would be chargeable by virtue of section 74 of the 1910 Act apart from this section, and
 - (b) on which stamp duty is not chargeable under [^{F55}Part I of Schedule 13 to the Finance Act 1999 (conveyance or transfer on sale)],
- shall not be deemed to be duly stamped unless it has, in accordance with section 12 of the 1891 Act, been stamped with a particular stamp denoting that it is duly stamped or that it is not chargeable with any duty.
- (6) This section applies to—
- (a) instruments executed on or after 26th March 1985, and
 - (b) instruments executed on or after 19th March 1985 which are stamped on or after 26th March 1985.
- (7) For the purposes of section 14(4) of the Stamp Act 1891 (instruments not to be given in evidence etc. unless stamped in accordance with the law in force at the time of first execution), the law in force at the time of execution of an instrument falling within subsection (6)(b) above shall be deemed to be that as varied in accordance with this section.
- (8) The preceding provisions of this section shall be deemed to have come into operation on 26th March 1985.
- (9) Subsection (5) above does not apply to an instrument which is required by regulations under section 87(1) or (2) below to be certified.

Textual Amendments

F55 Words in s. 82(5) substituted (27.7.1999 with effect in relation to instruments executed on or after 1.10.1999) by 1999 c. 16, s. 112(4)(6), **Sch. 14 para. 9**

Modifications etc. (not altering text)

C3 Ss. 82(5), 84(9) restricted by S.I. 1987/516, **reg. 5**

Marginal Citations

M13 1910 c. 8.
M14 1965 c. 25.
M15 1965 c. 16 (N.I.)
M16 1983 c. 49.
M17 1891 c. 39.

83 Part III Transfers in connection with divorce etc.

- (1) Stamp duty under [^{F56}Part I of Schedule 13 to the Finance Act 1999 (conveyance or transfer on sale)] shall not be chargeable on an instrument by which property is conveyed or transferred from one party to a marriage to the other if the instrument—
- (a) is executed in pursuance of an order of a court made on granting in respect of the parties of a decree of divorce, nullity of marriage or judicial separation, or
 - (b) is executed in pursuance of an order of a court which is made in connection with the dissolution or annulment of the marriage or the parties' judicial separation and which is made at any time after the granting of such a decree, or

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- (c) is executed at any time in pursuance of an agreement of the parties made in contemplation of or otherwise in connection with the dissolution or annulment of the marriage or their judicial separation..
- (2) An instrument in respect of which stamp duty is not chargeable under the heading mentioned in subsection (1) above by virtue only of that subsection shall be chargeable under this subsection with stamp duty of [^{F57}£5].
- (3) This section applies to instruments executed on or after 26th March 1985 and shall be deemed to have come into operation on that date.

Textual Amendments

F56 Words in s. 83(1) substituted (27.7.1999 with effect in relation to instruments executed on or after 1.10.1999) by 1999 c. 16, s. 112(4)(6), **Sch. 14 para. 10(a)**

F57 Word in s. 83(2) substituted (27.7.1999 with effect in relation to instruments executed on or after 1.10.1999) by 1999 c. 16, s. 112(4)(6), **Sch. 14 para. 10(b)**

Modifications etc. (not altering text)

C4 Ss. 83(2), 84(8) excluded by S.I. 1987/516, **reg. 2(1)(2)(b)**

84 Death: varying dispositions, and appropriations.

- (1) Where, within the period of two years after a person's death, any of the dispositions (whether effected by will, under the law relating to intestacy or otherwise) of the property of which he was competent to dispose are varied by an instrument executed by the persons or any of the persons who benefit or would benefit under the dispositions, stamp duty under [^{F58}Part I of Schedule 13 to the Finance Act 1999 (conveyance or transfer on sale)] shall not be chargeable on the instrument.
- (2) Subsection (1) above does not apply where the variation is made for any consideration in money or money's worth other than consideration consisting of the making of a variation in respect of another of the dispositions.
- (3) Subsection (1) above applies whether or not the administration of the estate is complete or the property has been distributed in accordance with the original dispositions.
- (4) Where property is appropriated by a personal representative in or towards satisfaction of a general legacy of money, stamp duty under the heading mentioned in subsection (1) above shall not be chargeable on an instrument giving effect to the appropriation.
- (5) Where on an intestacy property is appropriated by a personal representative in or towards satisfaction of any interest of a surviving husband or wife in the intestate's estate, stamp duty under the heading mentioned in subsection (1) above shall not be chargeable on an instrument giving effect to the appropriation.
- (6) The reference in subsection (5) above to an interest in the intestate's estate—
- (a) includes a reference to the capital value of a life interest which the surviving husband or wife has under the ^{M18}Intestates' Estates Act 1952 elected to have redeemed, and
- (b) in Scotland, includes a reference to prior rights (within the meaning of the ^{M19}Succession (Scotland) Act 1964) but, without prejudice to subsection (7) below, not to such rights as are mentioned in that subsection.

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- (7) Where in Scotland, on an intestacy or otherwise, property is appropriated by a personal representative in or towards satisfaction of the right of a husband to *jus relictii*, of a wife to *jus relictiae* or of issue to *legitim*, stamp duty under the heading mentioned in subsection (1) above shall not be chargeable on an instrument giving effect to the appropriation.
- (8) An instrument in respect of which stamp duty is not chargeable under the heading mentioned in subsection (1) above by virtue only of subsection (1), (4), (5) or (7) above shall be chargeable under this subsection with stamp duty of [^{F59}£5].
- (9) But an instrument which is chargeable under subsection (8) above shall not be treated as duly stamped unless it has, in accordance with section 12 of the ^{M20}Stamp Act 1891, been stamped with a particular stamp denoting that it is duly stamped.
- (10) Subject to subsection (11) below, this section applies to instruments executed on or after 26th March 1985 and shall be deemed to have come into operation on that date.
- (11) Subsections (5) to (7) above and, so far as it relates to subsection (5) or (7), subsection (8) above apply to instruments executed on or after 1st August 1985.

Textual Amendments

- F58** Words in s. 84(1) substituted (27.7.1999 with effect in relation to instruments executed on or after 1.10.1999) by 1999 c. 16, s. 112(4)(6), **Sch. 14 para. 11(a)**
- F59** Word in s. 84(8) substituted (27.7.1999 with effect in relation to instruments executed on or after 1.10.1999) by 1999 c. 16, s. 112(4)(6), **Sch. 14 para. 11(b)**

Modifications etc. (not altering text)

- C5** Ss. 83(2), 84(8) excluded by S.I. 1987/516, **reg. 2(1)(2)(b)**
- C6** Ss. 82(5), 84(9) restricted by S.I. 1987/516, **reg. 5**

Marginal Citations

- M18** 1952 c. 64.
- M19** 1964 c. 41.
- M20** 1891 c. 39.

85 Repeal of certain fixed duties.

- (1) The headings which are specified in Schedule 1 to the Stamp Act 1891 and are mentioned in Schedule 24 to this Act shall be omitted.
- (2) In section 7 of the ^{M21}Finance Act 1907 (stamping of hirepurchase agreements) for the words from “shall only be charged” to the end there shall be substituted “shall not be charged with any stamp duty.”
- (3) This section and that Schedule apply to—
- instruments executed on or after 26th March 1985, and
 - instruments executed on or after 19th March 1985 which are not stamped before 26th March 1985.
- (4) For the purposes of section 14(4) of the ^{M22}Stamp Act 1891 (instruments not to be given in evidence etc. unless stamped in accordance with the law in force at the time of first execution), the law in force at the time of execution of an instrument falling

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within subsection (3) (b) above shall be deemed to be that as varied in accordance with this section.

- (5) This section and that Schedule shall be deemed to have come into operation on 26th March 1985.

Marginal Citations

- M21** 1907 c. 13.
M22 1891 c. 39.

86 Abolition of duty on contract notes.

- (1) Subsections (1) and (2) of section 77 of the ^{M23}Finance (1909-10) Act 1910 (duty on contract notes) shall cease to have effect.
- (2) This section applies to contract notes made and executed on or after 26th March 1985, and shall be deemed to have come into operation on that date.

Marginal Citations

- M23** 1910 c. 8.

87 Certificates.

- (1) The Commissioners may make regulations providing that an instrument which is of a kind specified in them—
- (a) shall be certified to be an instrument of that kind, and
 - (b) shall not be treated as duly stamped if it is not so certified.
- (2) The Treasury may make regulations providing that an instrument which is of a kind specified in them, and which would apart from this subsection be chargeable with stamp duty of a fixed amount under any provision so specified, shall not be charged with such duty under that provision if it is certified to be an instrument of that kind.
- (3) Certification under this section shall be by such method as the regulations may specify, and in particular they may provide for a certificate to be borne by or attached to or otherwise associated with an instrument in such manner as they may specify.
- (4) A certificate under this section shall be in such form and signed by such person as the regulations may specify.
- (5) Regulations under this section may contain such incidental or consequential provisions as the Commissioners or Treasury (as the case may be) think fit.
- (6) Regulations under this section may make different provision for different cases or descriptions of case.
- (7) The power to make regulations under this section shall be exercisable by statutory instrument subject to annulment in pursuance of a resolution of the House of Commons.

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88 Exchange rates.

Section 12 of the ^{M24}Finance Act 1899 (fixed exchange rate for foreign currency) shall not apply to instruments executed on or after 1st August 1985, and section 6 of the ^{M25}Stamp Act 1891 (exchange rate at date of instrument) shall apply to instruments to which section 12 of the 1899 Act would apply if this Act had not been passed.

Marginal Citations

M24 1899 c. 9.

M25 1891 c. 39.

89 Exemption from section 28 of Finance Act 1931.

- (1) Section 28 of the ^{M26}Finance Act 1931 (production to Commissioners of instruments transferring land and furnishing of particulars) shall not apply in relation to any instrument (an “exempt instrument”) which falls within any class prescribed for the purposes of this section by regulations made by the Commissioners.
- (2) Regulations under this section may—
 - (a) provide that the particulars mentioned in Schedule 2 to the 1931 Act shall be furnished to the Commissioners, in accordance with the requirements of the regulations, in respect of exempt instruments or such descriptions of exempt instruments as may be prescribed by the regulations;
 - (b) make different provision in relation to different cases or kinds of case and in respect of different parts of Great Britain.
- (3) Any person who fails to comply with any requirement imposed by regulations made under this section shall be liable on summary conviction to a fine not exceeding level 3 on the standard scale ^{F60}
- (4) The power to make regulations under this section shall be exercisable by statutory instrument; and a statutory instrument containing regulations under this section shall be subject to annulment in pursuance of a resolution of the House of Commons.
- (5) Section 35(x) of the 1931 Act (which gives power by regulations to exempt certain instruments in Scotland where particulars are obtained through the General Register of Sasines and which is superseded by the power given by this section) shall cease to have effect.
- (6) Regulations made under section 35(x) shall have effect after the commencement of this section as if they were made under this section and as if they imposed on the Keeper of the Registers of Scotland the duty mentioned in section 35(x).

Textual Amendments

F60 Words in s. 89(3) repealed (5.11.1993) by 1993 c. 50, s. 1(1), **Sch. 1**, Pt.XIV

Marginal Citations

M26 1931 c. 28.

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Changes to legislation: There are currently no known outstanding effects for the Finance Act 1985. (See end of Document for details)

PART IV

OIL TAXATION

90 Limitations on relief for exploration and appraisal expenditure.

- (1) With respect to expenditure incurred on or after 19th March 1985, section 5A of the ^{M27}Oil Taxation Act 1975 (allowance of exploration and appraisal expenditure) shall be amended in accordance with subsections (3) to (5) below.
- (2) with respect to expenditure incurred on or after 1st April 1986, in subsection (2) of the said section 5A (the purposes for which expenditure is to be incurred to qualify for relief), for the words “the United Kingdom, the territorial sea thereof”, in each place where they occur, there shall be substituted “the territorial sea of the United Kingdom”.
- ^{X1}(3) After subsection (2) there shall be inserted the following subsection—
 - “(2A) Any reference in subsection (2) above to a designated area does not include a sector which, by virtue of subsection (3)(b) of section 107 of the Finance Act 1980 (transmedian fields), is deemed to be a designated area”
- ^{X1}(4) In subsection (5) (which modifies the application of certain provisions of section 5 of the ^{M28}Oil Taxation Act 1975 in relation to section 5A) in paragraph (c) (which excludes certain receipts from being taken into account under subsection (6) of section 5 of that Act and thereby prevents the expenditure which qualifies for relief being reduced on account of those receipts) for the words from “does not include” onwards there shall be substituted—
 - “(i) includes a reference to a sum received, or treated by virtue of subsection (5A) below as received, from the disposal of oil won in the course of operations carried out for any of the purposes in paragraphs (a) to (c) of subsection (2) of this section; but
 - (ii) does not include a reference to a sum received for the assignment of any of the rights conferred by a licence or of any interest in a licensed area”
- ^{X1}(5) After subsection (5) there shall be inserted the following subsections—
 - “(5A) Subsection (5B) below applies in any case where—
 - (a) oil which is won as mentioned in paragraph (c)(i) of subsection (5) above is either disposed of otherwise than in sales at arm’s length or appropriated to refining or to any use except for production purposes of an oil field, and
 - (b) if that oil had been disposed of in a sale at arm’s length, then, by virtue of section 5(6) of this Act as applied by subsection (5) above, certain expenditure would have been reduced by reference to the receipt of a sum from that disposal.
 - (5B) Where this subsection applies, the oil concerned shall be treated for the purposes of subsection (5)(c)(i) above and section 5(6) of this Act as having been disposed of for a sum equal to its market value at the material time in the calendar month in which it was disposed of or appropriated as mentioned in subsection (5A)(a) above and, accordingly, for those purposes—

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- (a) a sum equal to that market value shall be treated as having been received from that disposal; and
- (b) no account shall be taken of any sum actually received from the disposal of any of that oil.

(5C) In the application of Schedule 3 to this Act for the purpose of ascertaining the market value of oil as mentioned in subsection (5B) above,—

- (a) in paragraph 2, in paragraph (c) of sub-paragraph (2) for the words from the beginning to “paragraph in question” there shall be substituted “the contract is for the sale of the whole quantity of oil whose market value falls to be ascertained for the purposes of section 5A(5B) of this Act”;
- (b) sub-paragraph (3) and (4) of paragraph 2 shall be omitted; and
- (c) any reference in paragraphs 2 and 2A to oil being relevantly appropriated shall be construed as a reference to its being appropriated as mentioned in subsection (5A)(a) above”

Editorial Information

X1 Part of the text of ss. 67(2), 72(6), 90(3)-(5), 91(1) and (3), 92(2)(4), 96(1), Sch. 19 paras. 1(2) (3), 2(2), 3(3), 5(5)(a), 20(2), Sch. 27 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 that may have been made prior to 1.2.1991

Marginal Citations

M27 1975 c. 22.
M28 1975 c. 22.

91 Chargeable periods relevant to limit on tax payable and expenditure supplement.

- ^{X2}(1) In subsection (1A) of section 9 of the ^{M29}Oil Taxation Act 1975 (the chargeable periods in respect of which the tax payable is limited under that section) in paragraph (b) (chargeable periods after the net profit period), for the words “included in paragraph (a) above” there shall be substituted “which are included in paragraph (a) above and in which the amount of oil won and saved from the field exceeds 1,000 metric tonnes”; and at the end of that subsection there shall be added the words “and for the purposes of paragraph (b) above 1,100 cubic metres of gas at a temperature of 15 degrees centigrade and pressure of one atmosphere shall be counted as equivalent to one metric tonne”.
- (2) The amendments made by subsection (1) above has effect with respect to any oil field in respect of which the first chargeable period ends after 30th June 1985.
- ^{X2}(3) In section 111 of the Finance Act 1981 (restriction of expenditure supplement by reference to net profit period), in subsection (1) for the words from “in which” onwards there shall be substituted “which is the earliest chargeable period ending after a development decision has been made for the field in which—
- (a) the amount of oil won and saved from the field exceeds 1,000 metric tonnes (counting 1,100 cubic metres of gas at a temperature of 15 degrees centigrade and pressure of one atmosphere as equivalent to one metric tonne); and

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(b) a net profit from the field accrues to the participator;

and subsection (7) of section 5A of the principal Act (time when development decision is made) shall apply for the purposes of this subsection as it applies for the purposes of subsection (1)(c) of that section. ”

(4) The amendment made by subsection (3) above has effect with respect to chargeable periods ending after 30th June 1985.

Editorial Information

X2 Part of the text of ss. 67(2), 72(6), 90(3)-(5), 91(1) and (3), 92(2)(4), 96(1), Sch. 19 paras. 1(2) (3), 2(2), 3(3), 5(5)(a), 20(2), Sch. 27 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 that may have been made prior to 1.2.1991

Marginal Citations

M29 1975 c. 22.

92 Qualifying asset; exclusion of land and certain buildings etc.

(1) In subsection (1) of section 8 of the ^{M30}Oil Taxation Act 1983 (meaning of “qualifying asset”) after the word “means” there shall be inserted “subject to subsection (1A) below”.

^{x3}(2) After subsection (1) of that section there shall be inserted the following subsection—
“(1A) Notwithstanding anything in subsection (1) above, the following assets are not qualifying assets for the purposes of this Act, namely,—
(a) land or an interest in land; and
(b) a building or structure which is situated on land and which does not fall within any of sub-paragraphs (i) to (iv) of paragraph (c) of subsection (4) of section 3 of the principal Act.”

(3) In section 15(3) of the Oil Taxation Act 1983 (interpretation) in the definition of “qualifying asset” for the words “section 8(1)” there shall be substituted “section 8”.

^{x3}(4) In paragraph 4 of Schedule 2 to that Act (cases where all the oil is exempt gas) at the end of sub-paragraph (2) (modifications of section 8(1)) there shall be inserted the following subparagraph—
“(2A) In any case where this paragraph applies, paragraph (b) of subsection (1A) of section 8 of this Act shall have effect in relation to the participator as if—
(a) for the words “does not” there were substituted “would not”; and
(b) at the end there were added the words “even if section 10(2) of the principal Act were disregarded””

(5) This section has effect for determining whether any consideration which is received or receivable after 19th March 1985 constitutes tariff receipts or disposal receipts within the meaning of the ^{M31}Oil Taxation Act 1983.

Status: Point in time view as at 18/04/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1985. (See end of Document for details)

Editorial Information

X3 Part of the text of ss. 67(2), 72(6), 90(3)–(5), 91(1) and (3), 92(2)(4), 96(1), Sch. 19 paras. 1(2) (3), 2(2), 3(3), 5(5)(a), 20(2), Sch. 27 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 that may have been made prior to 1.2.1991

Marginal Citations

M30 1983 c. 56.

M31 1983 c. 56.

PART V

MISCELLANEOUS AND SUPPLEMENTARY

93 Abolition of development land tax and tax on development gains.

- (1) Development land tax shall not be charged in respect of any disposal taking place on or after 19th March 1985; and for this purpose “disposal” includes a deemed disposal within the meaning of the ^{M32}Development Land Tax Act 1976 (in this section referred to as “the 1976 Act”) and any other event which, but for the repeals effected by Part X of Schedule 27 to this Act, would constitute a disposal of an interest in land for the purposes of that Act.
- (2) Without prejudice to subsection (1) above, no realised development value, within the meaning of the 1976 Act, shall accrue to any person on or by reason of any event occurring on or after 19th March 1985.
- (3) In any case where, immediately before 19th March 1985, liability for development land tax stands for the time being deferred as mentioned in section 27 of the 1976 Act, that liability shall be extinguished with effect from that date.
- (4) In any case where—
 - (a) by virtue of paragraph 52 of Schedule 8 to the 1976 Act (postponement of tax on incorporation disposal) an amount of tax is not payable until a time determined in accordance with sub-paragraphs (4) to (6) of that paragraph, and
 - (b) that amount of tax has not become payable before 19th March 1985,
 that amount of tax shall be remitted with effect from that date.
- (5) Part I of Schedule 25 to this Act shall have effect for supplementing the preceding provisions of this section.
- (6) No part of a chargeable gain which accrues to any person on the disposal of an interest in land on or after 19th March 1985 shall be a development gain by virtue of Chapter 1 of Part III of the ^{M33}Finance Act 1974; and for this purpose “disposal of an interest in land” means any event which, but for the repeals effected by Part X of Schedule 27 to this Act, would be (or be deemed to be) a disposal of an interest in land to which section 38 of that Act would apply.
- (7) In consequence of the preceding provisions of this section and of the repeals effected by Part X of Schedule 27 to this Act, the enactments specified in Part II of Schedule 25

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to this Act shall have effect subject to the amendments in that Part; but those amendments do not affect the operation of the enactments concerned in relation to—

- (a) a disposal, as defined in subsection (1) above, taking place before 19th March 1985; or
- (b) a disposal of an interest in land, as defined in subsection (6) above, taking place before that date.

Marginal Citations

- M32** 1976 c. 24.
- M33** 1974 c. 30.

94 Capital transfer tax: conditional exemption.

- (1) Schedule 26 to this Act (which contains amendments about conditional exemption) shall have effect.
- (2) Those amendments have effect in relation to events on or after 19th March 1985.

95 The national heritage: transfer of Treasury functions to Board.

- (1) The functions of the Treasury under—
 - (a) Part II, and section 76 of, and Schedules 3 to 5 to, the ^{M34}Capital Transfer Tax Act 1984 (exempt transfers);
 - ^{F61}(b)
 - (c) the enactments re-enacted by those provisions;and the corresponding functions of the Treasury under any earlier enactments relating to capital transfer tax or estate duty, are hereby transferred to the Commissioners of Inland Revenue (“the Board”).
- (2) This section shall not affect the validity of anything done by or in relation to the Treasury before the passing of this Act ; and anything which at that date is in the process of being done by or in relation to the Treasury may, if it relates to functions transferred by this section to the Board, be continued by or in relation to the Board.
- (3) Any authorisation, designation, direction, approval, determination, or other thing given, made or done by the Treasury in connection with functions transferred by this section shall have effect as if given, made or done by the Board in so far as that is required for continuing its effect after the passing of this Act.
- (4) Any enactment passed or instrument or other document made before the coming into operation of this section shall have effect, so far as may be necessary, for the purpose or in consequence of the transfer of functions affected by this section as if any reference to the Treasury were or included a reference to the Board.

Textual Amendments

- F61** S. 95(1)(b) repealed (6.3.1992 with effect as mentioned in s. 289(1) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289(1)(2), 290, [Sch.12](#) (with s. 201(3), [Sch. 11 paras. 22, 26\(2\), 27](#))

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Marginal Citations

M34 1984 C. 51

96 European Communities and Investment Bank: exemptions.

^{X4}(1) In section 126 of the ^{M35}Finance Act 1984 (tax exemptions in relation to designated international organisations) the following shall be inserted after subsection (3)—

“(4) The Treasury may, by order made by statutory instrument, designate any of the Communities or the European Investment Bank for the purposes of this section, and references in subsections (2) and (3) above to an organisation designated for the purposes of this section include references to a body so designated by virtue of this sub-section.

(5) Subsection (3) above, as it applies by virtue of subsection (4) above, shall be read as if the words “under the heading “Bearer Instrument” in Schedule 1 to the Stamp Act 1891” were omitted.”

(2) An order made by virtue of subsection (4) of section 126 of the Finance Act 1984 may revoke or vary the ^{M36}European Communities (Loan Stock) (Stamp Duties) Order 1972 (which provides for exemption from stamp duty in respect of issues and transfers of loan stock of the bodies referred to in that subsection, other than the Economic Community).

Editorial Information

X4 Part of the text of ss. 67(2), 72(6), 90(3)-(5), 91(1) and (3), 92(2)(4), 96(1), Sch. 19 paras. 1(2) (3), 2(2), 3(3), 5(5)(a), 20(2), Sch. 27 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 that may have been made prior to 1.2.1991

Marginal Citations

M35 1984 c. 43.

M36 S.I. 1972/1589.

97 Extension of Provisional Collection of Taxes Act 1968 to reduced and composite rates.

In section 1 of the ^{M37}Provisional Collection of Taxes Act 1968, after subsection (1) there shall be inserted the following subsection—

“(1A) The reference in subsection (1) above to income tax includes a reference to any amount payable as representing income tax—

- (a) under section 343 of the Income and Corporation Taxes Act 1970 (dividends and interest payable by building societies); or
- (b) under section 27 of the Finance Act 1984 (interest paid on deposits with banks etc.).”

Marginal Citations

M37 1968 c. 2.

Status: Point in time view as at 18/04/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1985. (See end of Document for details)

98 Short title interpretation, construction and repeals.

- (1) This Act may be cited as the Finance Act 1985.
- (2) In this Act “the Taxes Act” means the Income and Corporation Taxes Act [1988 ^{F62}].
- (3) Part II of this Act, 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 Act and, so far as it relates to capital gains tax, shall be construed as one with the ^{M38}Capital Gains Tax Act 1979.
- (4) Part III of this Act shall be construed as one with the Stamp Act 1891.
- (5) Part IV of this Act shall be construed as one with Part I of the ^{M39}Oil Taxation Act 1975.
- (6) The enactments specified in Schedule 27 to this Act 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

F62 Income and Corporation Taxes Act 1988 Sch. 29 para. 32

Marginal Citations

M38 1979 c. 14.

M39 1975 c. 22.

Status:

Point in time view as at 18/04/2005.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1985.