



Finance Act 1991

CHAPTER 31

FINANCE ACT 1991

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CHAPTER I

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Status: This is the original version (as it was originally enacted).

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SCHEDULE 1 — Table of Rates of Duty on Wine and Made-wine

SCHEDULE 2 — Amendments relating to beer duty

Status: This is the original version (as it was originally enacted).

General amendment of enactments relating to beer

1 Subject to section 7 of this Act and the following...

The Alcoholic Liquor Duties Act 1979 (c. 4)

- 2 In section 1 of the Alcoholic Liquor Duties Act 1979,...
- 3 (1) In section 2 of that Act, in subsection (3A)...
- 4 In section 3 of that Act (meaning of, and method...
- 5 (1) Section 4(1) of that Act (definitions) shall be amended...
- 6 Sections 37, 38 and 39 of that Act (which make...
- 7 Section 40 of that Act (duty on imported beer etc)...
- 8 For section 41 of that Act (exemption from duty of...
- 9 In section 42 of that Act (drawback on exportation, removal...
- 10 In section 43 of that Act (warehousing of beer for...
- 11 In section 44 of that Act (remission or repayment of...
- 12 (1) In section 45 of that Act (repayment of duty...
- 13 For section 46 of that Act (remission or repayment of...
- 14 For section 49 of that Act (power to regulate manufacture...
- 15 (1) In section 49A of that Act, in subsection (1)...
- 16 Section 50 of that Act (regulations as respects sugar kept...
- 17 For section 52 of that Act (offences by brewers) there...
- 18 Section 53 of that Act (limited licences to brew) shall...
- 19 Section 71A of that Act (restrictions on adding substances to...
- 20 Section 72 of that Act (offences by wholesaler or retailer...

The Bankruptcy (Scotland) Act 1985 (c. 66)

21 In Schedule 3 to the Bankruptcy (Scotland) Act 1985 (list...

The Insolvency Act 1986 (c. 45)

22 In Schedule 6 to the Insolvency Act 1986 (categories of...

The Insolvency (Northern Ireland) Order 1989

23 In Schedule 4 to the Insolvency (Northern Ireland) Order 1989...

The Licensing (Northern Ireland) Order 1990

24 In the definition of “intoxicating liquor” in Article 2(2) of...

SCHEDULE 3 — Modification of enactments extended to Northern Ireland
Part I — THE VEHICLES (EXCISE) ACT 1971

Introduction

1 The Vehicles (Excise) Act 1971 shall be amended as follows....

Excise duty on, and licensing of, mechanically propelled vehicles

2 In section 1 (charge of duty) in subsection (1) for...

Exemptions from duty

- 3 In section 4 (exemptions from duty of certain descriptions of...
- 4 In section 5 (exemptions from duty in connection with vehicle...

5 (1) In section 7 (miscellaneous exemptions from duty)—

Liability to pay duty and consequences of non-payment

6 (1) In section 9 (additional liability for keeping unlicensed vehicle)...
7 In section 13 (temporary licences) in subsection (2A) after “body”,...
8 In section 18 (alteration of vehicle or its use) at...
9 (1) In section 18A (additional liability in relation to alteration...
10 (1) Section 18B (combined transport of goods) shall be amended...

Registration and registration marks, etc.

11 In section 22 (failure to fix, and obscuration of, marks...

Miscellaneous

12 In section 27 (duty to give information) at the end...
13 After section 28 (institution of proceedings in England and Wales)...
14 In section 31 (admissibility of records as evidence) at the...
15 In section 32 (evidence of admissions in certain proceedings) the...
16 In section 34 (fixing amount payable on pleas of guilty...
17 In section 35 (application of fines etc.) in subsection (2)...

Supplementary

18 In section 37 (regulations), at the end of paragraph (a)...
19 In section 40 (short title, etc.) for subsection (3) there...

Schedules

20 In Part I of Schedule 1 (annual rate of duty...
21 In Schedule 2 (annual rates of duty on hackney carriages)...
22 In Schedule 4 (annual rates of duty on goods vehicles)...
23 In Schedule 4A (duty on vehicles used for carrying or...
Part II — SECTION 11 OF THE FINANCE ACT 1976
24 In section 11 of the Finance Act 1976, for subsection...

SCHEDULE 4 — Registered Excise Dealers and Shippers

SCHEDULE 5 — Protection of the Revenues Derived from Excise Duties

SCHEDULE 6 — Restriction of higher rate relief: beneficial loans etc

Taxation of beneficial loan arrangements

1 (1) In section 160 of the Taxes Act 1988 (charge...
2 In section 167 of that Act, after subsection (2) (taxation...
3 (1) In Schedule 7 to that Act (taxation of benefit...
4 Paragraph 6 of that Schedule (meaning of “interest eligible for...
5 At the end of that Schedule there shall be added—...

Applicable rates of capital gains tax

6 (1) In section 102 of the Finance Act 1988 (unification...

SCHEDULE 7 — Basic Life Assurance and General Annuity Business

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

Management expenses

- 1 In section 76 of the Taxes Act 1988 (expenses of...

Interpretation of Chapter I of Part XII

- 2 In section 431 of that Act (interpretative provisions relating to...

Apportionment of income and gains

- 3 (1) In section 432A of that Act (apportionment of income...

Computation of trading profit

- 4 (1) In section 436 of that Act (general annuity business...

Deduction for annuities referable to basic life assurance and general annuity business

- 5 In section 437 of that Act, for subsection (1) there...

Transfer of assets between classes of business

- 6 (1) In section 440 of that Act (transfers of assets...

United Kingdom branches of overseas life assurance companies

- 7 (1) In section 446 of that Act (computation under section...

Treatment of tax-free income

- 8 In section 474 of that Act, in subsection (1)(b) (certain...

Life annuity contracts: taxation of gain on chargeable event

- 9 (1) In section 547 of that Act (method of charging...

Computation of offshore income gains

- 10 In Schedule 28 to that Act, in paragraph 3(4), paragraph...

Interpretation of sections 85 to 89 of Finance Act 1989

- 11 In section 84 of the Finance Act 1989, for subsection...

Miscellaneous receipts

- 12 In section 85 of the Finance Act 1989 (charge of...

Spreading of relief for acquisition expenses

- 13 (1) In section 86 of the Finance Act 1989 (spreading...

Deemed disposal of unit trusts etc

- 14 (1) In section 46 of the Finance Act 1990 (annual...

Exemptions and exclusions from charges by virtue of section 46

- 15 (1) Schedule 8 to that Act (which provides certain exemptions...

Transitional relief for old general annuity contracts

16 (1) In computing for the purposes of corporation tax the...

Transitional provisions for chargeable gains and unrelieved general annuity losses

17 (1) An insurance company's unrelieved general annuity losses shall be...

Application of this Schedule

18 Paragraphs 1, 3, 4, 5, 6(1) and (2), 7, 8,...

SCHEDULE 8 — Pension business: payments on account of tax credits and deducted tax

SCHEDULE 9 — Friendly societies

Tax exempt life or endowment business

1 (1) Section 460 of the Taxes Act 1988 (exemption from...
2 After section 462 of that Act there shall be inserted—...

Maximum benefits payable to members

3 (1) Section 464 of that Act (maximum benefits payable to...

Qualifying policies

4 (1) In Schedule 15 to that Act (qualifying policies) in...
5 (1) This paragraph applies to any policy—

SCHEDULE 10 — Building Societies: Qualifying Shares

Capital gains: exemption

1 (1) Section 64 of the Finance Act 1984 (qualifying corporate...

Accrued income scheme: inclusion

2 (1) Section 710 of the Taxes Act 1988 (meaning of...

Incidental costs of issue

3 (1) The following section shall be inserted after section 477A...

Preferential rights of acquisition

4 (1) This paragraph applies where, on or after the day...

SCHEDULE 11 — Building Societies: Marketable Securities

Deduction of income tax

1 (1) Section 349 of the Taxes Act 1988 (annual interest...
2 (1) Section 477A of the Taxes Act 1988 (building societies:...

Collection

3 (1) Schedule 16 to the Taxes Act 1988 (collection of...

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

- 4 (1) A building society may not make more than one...

Information

- 5 (1) In section 18 of the Taxes Management Act 1970...

SCHEDULE 12 — Securities: New Issues

General treatment of extra return

- 1 The following section shall be inserted after section 587 of...

Accrued income scheme

- 2 The following section shall be inserted after section 726 of...

Deep discount securities

- 3 In Schedule 4 to the Taxes Act 1988 the following...

Deep gain securities

- 4 In Schedule 11 to the Finance Act 1989 the following...

General

- 5 This Schedule applies if the new securities are issued on...

SCHEDULE 13 — Manufactured Dividends and Interest

The new arrangements

- 1 After Schedule 23 to the Taxes Act 1988 there shall...

Power to obtain information in connection with dealings in securities

- 2 In Schedule 18 to the Finance Act 1986, in paragraph...

Manufactured dividends etc: amendments of section 737

- 3 (1) Section 737 of the Taxes Act 1988 (manufactured dividends:...

Consequential provisions

- 4 In section 738 of that Act, subsection (2) (which confers...

SCHEDULE 14 — Capital allowances: vat capital goods scheme
Part I — INDUSTRIAL BUILDINGS AND STRUCTURES

Buildings and structures in enterprise zones

- 1 In section 1 of the Capital Allowances Act 1990 (enterprise...

Transitional relief for regional projects

- 2 (1) In section 2 of that Act, in subsection (1)...

Writing-down allowances

3 (1) In section 3 of that Act (writing-down allowances in...

Balancing allowances and balancing charges

4 (1) In section 4 of that Act, in subsection (1)...

Writing off of expenditure and meaning of “residue of expenditure”

5 (1) In section 8 of that Act, for subsection (2)...

Part II — MACHINERY AND PLANT

Transitional relief for regional projects

6 (1) In section 22 of that Act (first-year allowances: transitional...

Writing-down allowances and balancing adjustments

7 (1) In section 24 of that Act, after subsection (1)...

The disposal value

8 (1) In section 26 of that Act (which defines the...

Short-life assets

9 (1) In section 37 of that Act, after subsection (4)...

Fixtures

10 In section 54(1)(c) of that Act (which refers to a...

Further restrictions on allowances

11 (1) In section 75 of that Act (connected persons etc)...

Part III — SCIENTIFIC RESEARCH

Deduction for additional VAT liability on capital expenditure

12 (1) In section 137 of that Act (deductions for capital...

Charge in respect of additional VAT rebate on capital expenditure

13 (1) In section 138 of that Act, after subsection (2)...

Part IV — SUPPLEMENTARY PROVISIONS

General provisions about additional VAT liabilities and rebates

14 In section 159 of that Act, in subsection (2) (time...

SCHEDULE 15 — Relief for Company Trading Losses

The Taxes Management Act 1970 (c. 9)

1 (1) In section 86 of the Taxes Management Act 1970...

2 In section 87A of that Act (which is set out...

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

The Income and Corporation Taxes Act 1988 (c. 1)

- 3 In section 114 of the Taxes Act 1988 (special rules...
- 4 In section 118 of that Act (restriction on relief: companies)—...
- 5 (1) In section 242 of that Act (set-off of losses...
- 6 (1) In section 243 of that Act, in subsection (1)...
- 7 (1) In section 343 of that Act (company reconstructions without...
- 8 In section 393 of that Act (losses other than terminal...
- 9 In section 395 of that Act (leasing contracts and company...
- 10 In section 397(2) of that Act (which excludes certain losses...
- 11 In section 399 of that Act (dealings in commodity futures...
- 12 In section 400 of that Act (write-off of government investment)...
- 13 (1) In section 403 of that Act (losses etc which...
- 14 (1) In section 407 of that Act (relationship between group...
- 15 In section 434 of that Act (insurance companies: franked investment...
- 16 In section 458 of that Act (capital redemption business) in...
- 17 In section 492 of that Act (treatment of oil extraction...
- 18 In section 503(1) of that Act (commercial letting of furnished...
- 19 (1) In section 518 of that Act (harbour reorganisation schemes)...
- 20 (1) After section 768 of that Act (change in ownership:...
- 21 In section 808 of that Act (restriction on deduction of...
- 22 In section 825 of that Act, in subsection (4) (restrictions...
- 23 In section 826 of that Act (interest on tax overpaid)...
- 24 In section 843 of that Act (commencement) in subsection (4)...
- 25 In Schedule 5 to that Act (treatment of farm animals...
- 26 In Schedule 26 to that Act (reliefs against liability for...
- 27 (1) In Schedule 30 to that Act (transitional provisions and...

The Capital Allowances Act 1990 (c. 1)

- 28 In section 17 of the Capital Allowances Act 1990 (mining...

SCHEDULE 16 — Settlements: settlors

Conditions for the charge

- 1 (1) This paragraph applies where the following conditions are fulfilled...

The charge

- 2 Where paragraph 1 above applies— (a) chargeable gains of an...

Construction of paragraph 1(1)(e)

- 3 (1) In construing paragraph 1(1)(e) above as regards a particular...

Test whether settlor has interest

- 4 (1) For the purposes of paragraph 1(1)(d) above a settlor...

Exceptions to charge

- 5 Paragraph 1 above does not apply if the settlor dies...
- 6 (1) This paragraph applies where for the purposes of paragraph...
- 7 (1) This paragraph applies where for the purposes of paragraph...

Right of recovery

8 (1) This paragraph applies where any tax becomes chargeable on,...

Meaning of “settlor”

9 For the purposes of this Schedule a person is a...

Meaning of “originating”

10 (1) References in this Schedule to property originating from a...

Qualifying settlements, and commencement

11 (1) A settlement created on or after 19th March 1991...

Information

12 An inspector may by notice require any person who is...

13 (1) This paragraph applies if— (a) a settlement is created...

14 (1) This paragraph applies if a settlement is created on...

15 (1) This paragraph applies if— (a) the trustees of a...

16 (1) Nothing in paragraph 13, 14 or 15 above shall...

17 (1) In the Table in section 98 of the Taxes...

SCHEDULE 17 — Settlements: Beneficiaries

Introduction

1 In this Schedule— (a) references to sections are to sections...

Qualifying amounts

2 (1) This paragraph applies for the purposes of this Schedule....

Matching capital payments

3 (1) This paragraph applies where— (a) capital payments are made...

Increased tax: the main rule

4 (1) This paragraph applies where— (a) a capital payment is...

More than one qualifying amount

5 (1) This paragraph applies where— (a) a capital payment is...

Payment partly ignored

6 (1) This paragraph applies where— (a) a capital payment is...

Parts of amounts matched

7 Paragraphs 4 to 6 above shall apply (with appropriate modifications)...

Transfers between settlements

8 (1) This paragraph applies if— (a) in the year 1990-91...

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

Matching after transfer

- 9 (1) This paragraph applies as regards the transferee settlement in...

SCHEDULE 18 — Settlements: beneficiaries (miscellaneous)

Computation rules

- 1 In section 80 of the Finance Act 1981 (gains of...

Dual-resident settlements

- 2 The following section shall be inserted after section 80 of...
3 In section 81 of that Act (migrant settlements) in subsection...

Payments by and to companies

- 4 The following section shall be inserted after section 82 of...

Beneficiaries

- 5 In section 83 of that Act (supplementary provisions) the following...

Other amendments

- 6 (1) Section 83 of that Act shall also be amended...

SCHEDULE 19 — Repeals

- Part I — BETTING AND GAMING DUTIES
- Part II — BEER DUTY
- Part III — VEHICLES EXCISE DUTY: GENERAL
- Part IV — VEHICLES EXCISE DUTY: NORTHERN IRELAND
- Part V — INCOME TAX AND CORPORATION TAX
- Part VI — CAPITAL GAINS
- Part VII — STAMP DUTY
- Part VIII — TRADING FUNDS