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SCHEDULES

SCHEDULE 1

Section 1.

“TABLE OF RATES OF DUTY ON WINE AND MADE-WINE

<i>Description of wine or made-wine</i>	<i>Rates of duty per hectolitre</i>
	£
Wine or made-wine of a strength not exceeding 2 per cent.	12.06
Wine or made-wine of a strength exceeding 2 per cent. but not exceeding 3 per cent.	20.09
Wine or made-wine of a strength exceeding 3 per cent. but not exceeding 4 per cent.	28.12
Wine or made-wine of a strength exceeding 4 per cent. but not exceeding 5 per cent.	36.17
Wine or made-wine of a strength exceeding 5 per cent. but not exceeding 5.5 per cent.	44.20
Wine or made-wine of a strength exceeding 5.5 per cent. but not exceeding 15 per cent. and not being sparkling	120.54
Sparkling wine or sparkling made-wine of a strength exceeding 5.5 per cent. but not exceeding 15 per cent.	199.04
Wine or made-wine of a strength exceeding 15 per cent. but not exceeding 18 per cent.	207.89
Wine or made-wine of a strength exceeding 18 per cent. but not exceeding 22 per cent.	239.80
Wine or made-wine of a strength exceeding 22 per cent.	239.80 plus £18.96 for every 1 per cent. or part of 1 per cent. in excess of 22 per cent.”

SCHEDULE 2

Section 7.

AMENDMENTS RELATING TO BEER DUTY

General amendment of enactments relating to beer

1 Subject to section 7 of this Act and the following provisions of this Schedule—

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- (a) for the words “brewer for sale” or “brewers for sale”, wherever occurring in the Customs and Excise Acts 1979 ^{F1}... or the ^{M1}Licensing (Scotland) Act 1976, there shall be substituted respectively the words “registered brewer” or “registered brewers”; and
- (b) for the word “brew”, “brews”, “brewing” or “brewed”, wherever occurring in those Acts in connection with worts or beer, there shall be substituted respectively the word “produce”, “produces”, “producing” or “produced”.

Textual Amendments

F1 Words in [Sch. 2 para. 1](#) repealed (24.11.2005) by [Licensing Act 2003 \(c. 17\)](#), s. 201(2), [Sch. 7](#); [S.I. 2005/3056](#), [art. 2\(2\)](#) (with [art. 4](#))

Marginal Citations

M1 [1976 c. 66](#).

The Alcoholic Liquor Duties Act 1979 (c.4)

- 2 In section 1 of the Alcoholic Liquor Duties Act 1979, in subsection (3) (definition of beer)—
- (a) for the words “on analysis of a sample is found to be” there shall be substituted the word “is”; and
 - (b) paragraph (b) and the word “or” immediately preceding it shall cease to have effect.
- 3 (1) In section 2 of that Act, in subsection (3A) (regulations enabling the strength, weight or volume of spirits, wine or made-wine to be ascertained by reference to information on the label of the container etc) after the word “spirits,” in both places where it occurs there shall be inserted the word “beer,”.
- (2) In subsection (5) of that section (saving for other methods of calculating the strength, weight or volume of wine, made-wine or cider) after the words “volume of” there shall be inserted the word “beer,”.
- (3) Subsection (6) of that section (section not to apply to beer) shall cease to have effect.

Modifications etc. (not altering text)

C1 [Sch. 2 para. 3\(1\)\(2\)](#) excluded (26.4.1993) by [S.I. 1993/1152](#), [art. 4\(1\)](#).

Commencement Information

I1 [Sch. 2 para. 3](#) wholly in force; [para. 3](#) not in force at Royal Assent see [s. 7\(5\)](#); [para. 3\(1\)\(2\)](#) in force at 1.5.1993 and [para. 3\(3\)](#) in force at 1.6.1993 by [S.I. 1993/1152](#), [art. 3](#), [Sch. 1](#).

- 4 In section 3 of that Act (meaning of, and method of ascertaining, gravity of liquids)—
- (a) in subsection (3), the words “Subject to subsection (5) below”, and
 - (b) subsection (5) (original gravity for purposes of section 38),
- shall cease to have effect.

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- 5 (1) Section 4(1) of that Act (definitions) shall be amended in accordance with the following provisions of this paragraph.
- (2) The definitions of “brewer” and “brewer for sale” and of “limited licence to brew beer” shall be omitted.
- (3) After the definition of “methylated spirits” there shall be inserted—
- “package, in relation to beer, means to put beer into tanks, casks, kegs, cans, bottles or any other receptacles of a kind in which beer is distributed to wholesalers or retailers;
- “packager, in relation to beer, means a person carrying on the business of packaging beer;”.
- (4) After the definition of “rectifier” there shall be inserted—
- “registered brewer has the meaning given by section 47(1) below;”.

Modifications etc. (not altering text)

C2 Sch. 2 para. 5(1)(3)(4) excluded (26.4.1993) by S.I. 1993/1152, art. 4(1).

Commencement Information

I2 Sch. 2 para. 5 wholly in force; para. 5 not in force at Royal Assent see s. 7(5); para. 5(1)(3)(4) in force at 1.5.1993 and para. 5(2) in force at 1.6.1993 by S.I. 1993/1152, art. 3, Sch. 1.

- 6 Sections 37, 38 and 39 of that Act (which make provision for the duty on beer brewed in the UK to be charged by reference to worts and gravity and as to the charging and payment of duty on such beer brewed by brewers for sale and by private brewers) shall cease to have effect.
- 7 Section 40 of that Act (duty on imported beer etc) shall cease to have effect.
- 8 For section 41 of that Act (exemption from duty of beer brewed for private consumption) there shall be substituted—

“41 Exemption from duty of beer produced for private consumption.

The duty on beer produced in the United Kingdom shall not be chargeable on beer produced by a person who produces beer only for his own domestic use.”

- 9 In section 42 of that Act (drawback on exportation, removal to excise warehouse, shipment as stores etc) for subsection (3) (declaration required for beer brewed in the UK) there shall be substituted—
- “(3) In the case of beer produced in the United Kingdom, the person intending to remove, export or ship the beer shall produce to the proper officer a declaration made by the person who paid the duty on the beer, in such form and manner as the Commissioners may direct, stating the strength of the beer and the date on which the duty became payable.”

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Textual Amendments

F2 Sch. 2 para. 10 repealed (1.9.1993) by 1993 c. 34, ss. 4, 213, Sch. 23 Pt. 1 Note

- 11 In section 44 of that Act (remission or repayment of duty on beer used for purposes of research or experiment) in subsection (1) for the word “brewing” there shall be substituted the words “the production of beer”.

^{F3}12

Textual Amendments

F3 Sch. 2 para. 12 repealed (1.5.1995) by 1995 c. 4, s. 162, Sch. 29 Pt. 1(2)

- 13 For section 46 of that Act (remission or repayment of duty on spoilt beer) there shall be substituted—

“46 Remission or repayment of duty on spoilt beer.

(1) Where it is shown to the satisfaction of the Commissioners that any beer which has been removed from any premises of a registered brewer in respect of which he is registered under section 47 below has become spoilt or otherwise unfit for use and, in the case of beer delivered to another person, has been returned to the registered brewer as so spoilt or unfit, the Commissioners shall, subject to compliance with such conditions as they may by regulations impose, remit or repay any duty charged or paid in respect of the beer.

(2) If any person contravenes or fails to comply with any regulation made under subsection (1) above, he shall be liable on summary conviction to a penalty not exceeding level 3 on the standard scale.”

Modifications etc. (not altering text)

C3 Sch. 2 para. 13 excluded (26.4.1993) by S.I. 1993/1152, art. 4(1).

- 14 For section 49 of that Act (power to regulate manufacture of beer by brewers for sale) there shall be substituted—

“49 Beer regulations.

(1) The Commissioners may, with a view to managing, securing and collecting the duty on beer produced in, or imported into, the United Kingdom or to the protection of the revenues derived from the duty of excise on beer, make regulations—

- (a) regulating the production, packaging, keeping and storage of beer produced in the United Kingdom and the packaging, keeping and storage of beer imported into the United Kingdom;
- (b) regulating the registration of persons and premises under section 41A or 47 above and the revocation or variation of any such registrations;

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- (c) for determining under or in accordance with the regulations when the production of beer begins and when it is completed;
 - (d) for securing and collecting the duty;
 - (e) for determining the duties chargeable, the rates of those duties, the persons liable to pay them and in that connection prescribing the method of charging the duties, the due dates for payment and the method of payment;
 - (f) for charging the duty, in such circumstances as may be prescribed in the regulations, by reference to a strength which the beer might reasonably be expected to have, or the rate of duty in force, at a time other than that at which the beer becomes chargeable;
 - (g) for relieving beer from the duty in such circumstances and to such extent as may be prescribed in the regulations;
 - (h) regulating and, in such circumstances as may be prescribed in the regulations, prohibiting the addition of substances to, the mixing of, or the carrying out of other operations on or in relation to, beer;
 - (j) regulating the transportation of beer in such circumstances as may be prescribed in the regulations.
- (2) Regulations under this section may make different provision for persons, premises or beer of different classes or descriptions, for different circumstances and for different cases.
- (3) Any person contravening or failing to comply with any regulation made under this section shall be liable on summary conviction to a penalty not exceeding level 5 on the standard scale, and any article or substance in respect of which the offence was committed shall be liable to forfeiture.”

Modifications etc. (not altering text)

C4 Sch. 2 para. 14 excluded (26.4.1993) by S.I. 1993/1152, art. 4(1).

- 15 (1) In section 49A of that Act, in subsection (1) (duty determined in accordance with regulations under section 49(1)(bb) deemed to have been paid for purposes of claims for drawback by brewers for sale)—
- (a) for the words “brewer for sale” there shall be substituted the words “registered brewer or person registered under section 41A above ”; and
 - (b) for the words “section 49(1)(bb)” there shall be substituted the words “section 49(1)(e) ”.
- (2) In subsection (2) of that section—
- (a) for the words “brewer for sale” in both places where they occur there shall be substituted the words “registered brewer or person registered under section 41A above ”;
 - (b) for the words “the brewer” there shall be substituted the word “he ”; and
 - (c) for the words “under section 38 above” there shall be substituted the words “in respect of the excise duty on beer ”.
- 16 Section 50 of that Act (regulations as respects sugar kept by brewers for sale) shall cease to have effect.

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Textual Amendments

- F4** Sch. 2 para. 17 repealed (9.12.1992 for specified purposes and 1.6.1993 otherwise) by Finance (No. 2) Act 1992 (c. 48), s. 82, Sch. 18 Pt. 1 Note 4; S.I. 1992/3104, art. 2; S.I. 1993/1341, art. 2, Sch.

- 18 Section 53 of that Act (limited licences to brew) shall cease to have effect.
- 19 Section 71A of that Act (restrictions on adding substances to beer) shall cease to have effect.
- 20 Section 72 of that Act (offences by wholesaler or retailer of beer) shall cease to have effect.

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

- 21 In Schedule 3 to the Bankruptcy (Scotland) Act 1985 (list of preferred debts) at the end of paragraph 2 (debts due to Customs and Excise) there shall be added—
- “(4) The amount of any excise duty on beer which is due at the relevant date from the debtor and which became due within a period of 6 months next before that date.”

The Insolvency Act 1986 (c.45)

- ^{F5}21A

Textual Amendments

- F5** Sch. 2 para. 21A repealed (15.9.2003) by Enterprise Act 2002 (repealed) 2002 (c. 40), s. 279, Sch. 26; S.I. 2003/2093, art. 2(1), Sch. 1 (with art. 4)

- ^{F6}22

Textual Amendments

- F6** Sch. 2 para. 22 repealed (15.9.2003) by Enterprise Act 2002 (repealed) 2002 (c. 40), s. 279, Sch. 26; S.I. 2003/2093, art. 2(1), Sch. 1 (with art. 4)

The Insolvency (Northern Ireland) Order 1989

- [^{F7}22A In Article 346(1) of the Insolvency (Northern Ireland) Order 1989 (categories of preferential debts) after “betting and gaming duties” there shall be inserted “, beer duty”.]

Textual Amendments

- F7** Sch. 2 para. 22A inserted (16.7.1992) by Finance (No. 2) Act 1992 (c. 48), s. 9(1)(3)

- 23 In Schedule 4 to the ^{M2}Insolvency (Northern Ireland) Order 1989 (categories of preferential debts) in Category 2 (debts due to Customs and Excise) after paragraph 5 there shall be inserted—

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“5A The amount of any excise duty on beer which is due at the relevant date from the debtor and which became due within a period of 6 months next before that date.”

Marginal Citations

M2 [S.I. 1989/2405 \(N.I. 19\)](#).

The Licensing (Northern Ireland) Order 1990

^{F8}24

Textual Amendments

F8 [S. 24](#) repealed (20.2.1997) by [S.I. 1996/3158\(N.I. 22\)](#), art. 85(4), Sch. 13

SCHEDULE 3

Section 10.

MODIFICATION OF ENACTMENTS EXTENDED TO NORTHERN IRELAND

PART I

THE VEHICLES (EXCISE) ACT 1971

Introduction

^{F9}1

Textual Amendments

F9 [Sch. 3 Pt. I para. 1](#) repealed (1.9.1994) by [1994 c. 22, ss. 65, 66\(1\)](#), [Sch. 5 Pt. I](#) (with s. 57(4))

Excise duty on, and licensing of, mechanically propelled vehicles

^{F10}2

Textual Amendments

F10 [Sch. 3 Pt. I para. 2](#) repealed (1.9.1994) by [1994 c. 22, ss. 65, 66\(1\)](#), [Sch. 5 Pt. I](#) (with s. 57(4))

Exemptions from duty

^{F11}3

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Textual Amendments

F11 Sch. 3 Pt. I para. 3 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

F12₄

Textual Amendments

F12 Sch. 3 Pt. I para. 4 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

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

F13(a)

F14(b)

F13(2)

F14(3)

F13(4)

F13(5)

Textual Amendments

F13 Sch. 3 Pt. I para. 5(1)(a)(2)(4)(5) repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

F14 Sch.3 para. 5(1)(b)(3) repealed (13.10.1993) by Finance (No. 2) Act 1992 (c. 48), s. 82, **Sch. 18 Pt. IV**; S.I. 1993/2272, **art. 2**.

Liability to pay duty and consequences of non-payment

F15₆

Textual Amendments

F15 Sch. 3 para.6 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

F16₇

Textual Amendments

F16 Sch. 3 para. 7 repealed (1.9.1994) 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

F17₈

Textual Amendments

F17 Sch. 3 Pt. I para. 8 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

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F18⁹

Textual Amendments

F18 Sch. 3 Pt. I para. 9 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

F19¹⁰

Textual Amendments

F19 Sch. 3 Pt. I para. 10 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

Registration and registration marks, etc.

F20¹¹

Textual Amendments

F20 Sch. 3 Pt. I para. 11 (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

Miscellaneous

F21¹²

Textual Amendments

F21 Sch. 3 Pt. I para. 12 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

F22¹³

Textual Amendments

F22 Sch. 3 Pt. I para. 13 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

F23¹⁴

Textual Amendments

F23 sch. 3 Pt. I para. 14 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

F24¹⁵

Textual Amendments

F24 Sch. 3 Pt. I para. 15 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

F25¹⁶

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Textual Amendments

F25 Sch. 3 Pt. I para. 16 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

^{F26}17

Textual Amendments

F26 Sch. 3 Pt. I para. 17 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

Supplementary

^{F27}18

Textual Amendments

F27 Sch. 3 Pt. I para. 18 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

^{F28}19

Textual Amendments

F28 Sch. 3 Pt. I para. 19 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

Schedules

^{F29}20

Textual Amendments

F29 Sch. 3 Pt. I para. 20 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

^{F30}21

Textual Amendments

F30 Sch. 3 Pt. I para. 21 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(1)** Note

^{F31}22

Textual Amendments

F31 Sch. 3 Pt. I para. 22 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

^{F32}23

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Textual Amendments

F32 Sch. 3 Pt. I para. 23 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), Sch. 5 Pt. I (with s. 57(4))

F33
...

Textual Amendments

F33 Sch. 3 Pt. II repealed (3.5.1994) by 1994 c. 9, s. 258, Sch. 3, Sch. 26 Pt. I Note(3)

SCHEDULE 4

Section 11.

REGISTERED EXCISE DEALERS AND SHIPPERS

After Part VIIIA of the ^{M4}Customs and Excise Management Act 1979 there shall be inserted—

“PART VIIIB

REGISTERED EXCISE DEALERS AND SHIPPERS

Registered excise dealers and shippers.

100(1) For the purpose of administering, collecting or protecting the revenues derived from duties of excise, the Commissioners may by regulations under this section (in this Act referred to as “registered excise dealers and shippers regulations)—

- (a) confer or impose such powers, duties, privileges and liabilities as may be prescribed in the regulations upon any person who is or has been a registered excise dealer and shipper; and
 - (b) impose on persons other than registered excise dealers and shippers, or in respect of any goods of a class or description specified in the regulations, such requirements or restrictions as may by or under the regulations be prescribed with respect to registered excise dealers and shippers or any activities carried on by them.
- (2) The Commissioners may approve, and enter in a register maintained by them for the purpose, any revenue trader who applies for registration under this section and who appears to them to satisfy such requirements for registration as they may think fit to impose.
- (3) In the customs and excise Acts “registered excise dealer and shipper means a revenue trader approved and registered by the Commissioners under this section.
- (4) The Commissioners may approve and register a person under this section for such periods and subject to such conditions or restrictions as they may think fit or as they may by or under the regulations prescribe.
- (5) The Commissioners may at any time for reasonable cause revoke or vary the terms of their approval or registration of any person under this section.

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- (6) The regulations may make provision for treating revenue traders as approved and registered under this section in cases where they are members of a group of companies (within the meaning of the regulations) which is approved and registered in accordance with the regulations.

Registered excise dealers and shippers regulations.

- 100H) (a) regulating the approval and registration of persons as registered excise dealers and shippers and the variation or revocation of any such approval or registration or of any condition or restriction to which such an approval or registration is subject;
- (b) regulating any activities carried on by or for a registered excise dealer and shipper and, in particular, the importation, exportation, buying, selling, loading, unloading, delivery, movement, holding, deposit, security, treatment or removal of, or the carrying out of operations on, or the effecting of any other transaction relating to, any goods of a class or description subject to a duty of excise;
- (c) authorising a registered excise dealer and shipper to carry out or arrange for the carrying out of any prescribed activity falling within paragraph (b) above in relation to goods chargeable with a duty of excise which has not been paid, but subject to prescribed conditions or restrictions and to prescribed requirements for the payment of the unpaid duty;
- (d) exempting registered excise dealers and shippers from compliance with such provisions made by or under the customs and excise Acts as may be prescribed, or applying such provisions in relation to registered excise dealers and shippers with prescribed modifications or adaptations, or applying in relation to registered excise dealers and shippers such substitute provisions as may be prescribed in place of any such provisions;
- (e) requiring, except as otherwise permitted by the Commissioners, goods which are subject to a duty of excise that has not been paid and which are not consigned to an excise warehouse—
- (i) to be consigned to a registered excise dealer and shipper; and
 - (ii) to be accompanied by such documents in such form and such manner and containing such particulars as may be prescribed;
- (f) imposing on a registered excise dealer and shipper liability for the payment of duties of excise chargeable on any goods or, in prescribed cases, imposing joint and several liability for the payment of any such duties on a registered excise dealer and shipper and some other person specified in the regulations who, if not a registered excise dealer and shipper, would have been liable for their payment apart from this paragraph;
- (g) for securing and collecting any duty of excise for the payment of which a registered excise dealer and shipper is or may be liable;
- (h) for determining, in relation to goods which are the subject of a transaction involving a registered excise dealer and shipper, the duties of excise chargeable, the rates of those duties and the persons liable to pay them and the time at which and manner in which payment is to be made and, in that connection, prescribing the method of charging the duties;
- (j) permitting payment of excise duty by a registered excise dealer and shipper to be deferred, subject to compliance with prescribed conditions;
- (k) for relieving registered excise dealers and shippers from liability to pay excise duty on goods in prescribed circumstances;

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- (l) for cases where a registered excise dealer and shipper acts as agent for some other person (whether a registered excise dealer and shipper or not);
 - (m) requiring registered excise dealers and shippers to keep and make available for inspection such records relating to their activities as such as may be prescribed;
 - (n) for goods in the United Kingdom which are liable to a duty of excise which has not been paid to be subject to forfeiture for any breach of—
 - (i) registered excise dealers and shippers regulations, so far as relating to goods chargeable with a duty of excise which has not been paid, or
 - (ii) any condition or restriction imposed by or under any such regulations so far as so relating.
- (2) Registered excise dealers and shippers regulations may make different provision for persons or goods of different classes or descriptions, for different circumstances and for different cases.
- (3) In this section “prescribed means prescribed in registered excise dealers and shippers regulations or prescribed by the Commissioners under any such regulations.

Contravention of regulations etc.

100J If any person contravenes any provision of registered excise dealers and shippers regulations or fails to comply with any condition or restriction which the Commissioners impose upon him under section 100G above or by or under any such regulations, he shall be liable on summary conviction to a penalty of any amount not exceeding level 5 on the standard scale and any goods in respect of which the offence was committed shall be liable to forfeiture.”

Marginal Citations

M4 1979 c. 2.

SCHEDULE 5

Section 12.

PROTECTION OF THE REVENUES DERIVED FROM EXCISE DUTIES

After Part IX of the ^{M5}Customs and Excise Management Act 1979 there shall be inserted—

“PART IXA

PROTECTION OF THE REVENUES DERIVED FROM EXCISE DUTIES

Duty of revenue traders to keep records.

- 118A) The Commissioners may by regulations require every revenue trader—
- (a) to keep such records as may be prescribed in the regulations; and
 - (b) to preserve those records for such period not exceeding six years as may be prescribed in the regulations or for such lesser period as the Commissioners may require.

Status: Point in time view as at 24/11/2005.

Changes to legislation: Finance Act 1991 is up to date with all changes known to be in force on or before 08 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (2) Regulations under this section—
- (a) may make different provision for different cases; and
 - (b) may be framed by reference to such records as may be specified in any notice published by the Commissioners in pursuance of the regulations and not withdrawn by a further notice.
- (3) Any duty imposed under this section to preserve records may be discharged by the preservation of the information contained therein by such means as the Commissioners may approve.
- (4) Where any information is preserved in accordance with subsection (3) above, a copy of any document forming part of the records in question shall, subject to the following provisions of this section, be admissible in evidence in any proceedings, whether civil or criminal, to the same extent as the records themselves.
- (5) The Commissioners may, as a condition of approving under subsection (3) above any means of preserving information contained in any records, impose such reasonable requirements as appear to them necessary for securing that the information will be as readily available to them as if the records themselves had been preserved.
- (6) A statement contained in a document produced by a computer shall not by virtue of subsection (4) above be admissible in evidence—
- (a) in civil proceedings in England and Wales, except in accordance with sections 5 and 6 of the Civil Evidence Act 1968;
 - (b) in criminal proceedings in England and Wales, except in accordance with sections 69 and 70 of the Police and Criminal Evidence Act 1984 and Part II of the Criminal Justice Act 1988;
 - (c) in civil proceedings in Scotland, except in accordance with sections 13 and 14 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1968;
 - (d) in criminal proceedings in Scotland, except in accordance with the said sections 13 and 14, which shall, for the purposes of this section, apply with the necessary modifications to such proceedings;
 - (e) in civil proceedings in Northern Ireland, except in accordance with sections 2 and 3 of the Civil Evidence Act (Northern Ireland) 1971; and
 - (f) in criminal proceedings in Northern Ireland, except in accordance with Article 68 of the Police and Criminal Evidence (Northern Ireland) Order 1989 and Part II of the Criminal Justice (Evidence Etc.) (Northern Ireland) Order 1988.
- (7) Notwithstanding the preceding provisions of this section, in criminal proceedings the court may, for special cause, require oral evidence to be given of any matter of which evidence could ordinarily be given by means of a certificate under—
- (a) section 5(4) of the Civil Evidence Act 1968,
 - (b) section 13(4) of the Law Reform (Miscellaneous Provisions) Scotland Act 1968, or
 - (c) section 2(4) of the Civil Evidence Act (Northern Ireland) 1971.

Duty of revenue traders and others to furnish information and produce documents.

118B) Every revenue trader shall—

- (a) furnish to the Commissioners, within such time and in such form as they may reasonably require, such information relating to—

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- (i) any goods or services supplied by or to him in the course or furtherance of a business, or
 - (ii) any goods in the importation or exportation of which he is concerned in the course or furtherance of a business,

as they may reasonably specify; and
 - (b) upon demand made by an officer, produce or cause to be produced for inspection by that officer—
 - (i) at the principal place of business of the revenue trader or at such other place as the officer may reasonably require, and
 - (ii) at such time as the officer may reasonably require,

any documents relating to the goods or services or to the supply, importation or exportation.
- (2) Where, by virtue of subsection (1) above, an officer has power to require the production of any documents from a revenue trader—
- (a) he shall have the like power to require production of the documents concerned from any other person who appears to the officer to be in possession of them; but
 - (b) if that other person claims a lien on any document produced by him, the production shall be without prejudice to the lien.
- (3) For the purposes of this section, the documents relating to the supply of goods or services, or the importation or exportation of goods, in the course or furtherance of any business shall be taken to include—
- (a) any profit and loss account and balance sheet, and
 - (b) any records required to be kept by virtue of section 118A above,
- relating to that business.
- (4) An officer may take copies of, or make extracts from, any document produced under subsection (1) or (2) above.
- (5) If it appears to an officer to be necessary to do so, he may, at a reasonable time and for a reasonable period, remove any document produced under subsection (1) or (2) above and shall, on request, provide a receipt for any document so removed.
- (6) Where a lien is claimed on a document produced under subsection (2) above, the removal of the document under subsection (5) above shall not be regarded as breaking the lien.
- (7) Where a document removed by an officer under subsection (5) above is reasonably required for the proper conduct of a business he shall, as soon as practicable, provide a copy of the document, free of charge, to the person by whom it was produced or caused to be produced.
- (8) Where any documents removed under the powers conferred by this section are lost or damaged, the Commissioners shall be liable to compensate their owner for any expenses reasonably incurred by him in replacing or repairing the documents.

Entry and search of premises and persons.

- 118(C) For the purpose of exercising any powers under the customs and excise Acts an officer may at any reasonable time enter premises used in connection with the carrying on of a business.

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- (2) Where an officer has reasonable cause to believe that any premises are used in connection with the supply, importation or exportation of goods of a class or description chargeable with a duty of excise and that any such goods are on those premises, he may at any reasonable time enter and inspect those premises and inspect any goods found on them.
- (3) If a justice of the peace or, in Scotland, a justice (within the meaning of section 462 of the Criminal Procedure (Scotland) Act 1975) is satisfied on information on oath—
- (a) that there is reasonable ground for suspecting that a fraud offence which appears to be of a serious nature is being, has been or is about to be committed on any premises, or
 - (b) that evidence of the commission of such an offence is to be found there,
- he may issue a warrant in writing authorising, subject to subsections (6) and (7) below, any officer to enter those premises, if necessary by force, at any time within the period of one month beginning with the date of the issue of the warrant and search them.
- (4) Any officer who enters premises under the authority of a warrant under subsection (3) above may—
- (a) take with him such other persons as appear to him to be necessary;
 - (b) seize and remove any documents or other things whatsoever found on the premises which he has reasonable cause to believe may be required as evidence for the purposes of proceedings in respect of a fraud offence which appears to him to be of a serious nature; and
 - (c) search or cause to be searched any person found on the premises whom he has reasonable cause to believe to be in possession of any such documents or other things;
- but no woman or girl shall be searched by virtue of this subsection except by a woman.
- (5) In subsections (3) and (4) above “a fraud offence means an offence under any provision of section 167(1), 168 or 170 below.
- (6) The powers conferred by a warrant under this section shall not be exercisable—
- (a) by more than such number of officers as may be specified in the warrant; nor
 - (b) outside such times of day as may be so specified; nor
 - (c) if the warrant so provides, otherwise than in the presence of a constable in uniform.
- (7) An officer seeking to exercise the powers conferred by a warrant under this section or, if there is more than one such officer, that one of them who is in charge of the search shall provide a copy of the warrant endorsed with his name as follows—
- (a) if the occupier of the premises concerned is present at the time the search is to begin, the copy shall be supplied to the occupier;
 - (b) if at the time the occupier is not present but a person who appears to the officer to be in charge of the premises is present, the copy shall be supplied to that person; and
 - (c) if neither paragraph (a) nor paragraph (b) above applies, the copy shall be left in a prominent place on the premises.

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Order for access to recorded information, etc.

- 118D) Where, on an application by an officer, a justice of the peace or, in Scotland, a justice (within the meaning of section 462 of the Criminal Procedure (Scotland) Act 1975) is satisfied that there are reasonable grounds for believing—
- (a) that an offence in connection with a duty of excise is being, has been or is about to be committed, and
 - (b) that any recorded information (including any document of any nature whatsoever) which may be required as evidence for the purpose of any proceedings in respect of such an offence is in the possession of any person,
- he may make an order under this section.
- (2) An order under this section is an order that the person who appears to the justice to be in possession of the recorded information to which the application relates shall—
- (a) give an officer access to it, and
 - (b) permit an officer to remove and take away any of it which he reasonably considers necessary,
- not later than the end of the period of seven days beginning with the date of the order or the end of such longer period as the order may specify.
- (3) The reference in subsection (2)(a) above to giving an officer access to the recorded information to which the application relates includes a reference to permitting the officer to take copies of it or to make extracts from it.
- (4) Where the recorded information consists of information contained in a computer, an order under this section shall have effect as an order to produce the information in a form in which it is visible and legible and, if the officer wishes to remove it, in a form in which it can be removed.
- (5) This section is without prejudice to sections 118B and 118C above.

Procedure when documents etc. are removed.

- 118E) An officer who removes anything in the exercise of a power conferred by or under section 118C or 118D above shall, if so requested by a person showing himself—
- (a) to be the occupier of premises from which it was removed, or
 - (b) to have had custody or control of it immediately before the removal,
- provide that person with a record of what he removed.
- (2) The officer shall provide the record within a reasonable time from the making of the request for it.
- (3) Subject to subsection (7) below, if a request for permission to be granted access to anything which—
- (a) has been removed by an officer, and
 - (b) is retained by the Commissioners for the purposes of investigating an offence,
- is made to the officer in overall charge of the investigation by a person who had custody or control of the thing immediately before it was so removed or by someone acting on behalf of such a person, the officer shall allow the person who made the request access to it under the supervision of an officer.
- (4) Subject to subsection (7) below, if a request for a photograph or copy of any such thing is made to the officer in overall charge of the investigation by a person who had custody

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- or control of the thing immediately before it was so removed, or by someone acting on behalf of such a person, the officer shall—
- (a) allow the person who made the request access to it under the supervision of an officer for the purpose of photographing it or copying it, or
 - (b) photograph or copy it, or cause it to be photographed or copied.
- (5) Where anything is photographed or copied under subsection (4)(b) above, the photograph or copy shall be supplied to the person who made the request.
- (6) The photograph or copy shall be supplied within a reasonable time from the making of the request.
- (7) There is no duty under this section to grant access to, or to supply a photograph or copy of, anything if the officer in overall charge of the investigation for the purposes of which it was removed has reasonable grounds for believing that to do so would prejudice—
- (a) that investigation;
 - (b) the investigation of an offence other than the offence for the purposes of the investigation of which the thing was removed; or
 - (c) any criminal proceedings which may be brought as a result of—
 - (i) the investigation of which he is in charge; or
 - (ii) any such investigation as is mentioned in paragraph (b) above.
- (8) Any reference in this section to the officer in overall charge of the investigation is a reference to the person whose name and address are endorsed on the warrant or order concerned as being the officer so in charge.

Failure of officer to comply with requirements under section 118E.

- 118F) Where, on an application made as mentioned in subsection (2) below, the appropriate judicial authority is satisfied that a person has failed to comply with a requirement imposed by section 118E above, the authority may order that person to comply with the requirement within such time and in such manner as may be specified in the order.
- (2) An application under subsection (1) above shall be made—
 - (a) in the case of a failure to comply with any of the requirements imposed by subsections (1) and (2) of section 118E above, by the occupier of the premises from which the thing in question was removed or by the person who had custody or control of it immediately before it was so removed, and
 - (b) in any other case, by the person who has such custody or control.
 - (3) In this section “the appropriate judicial authority means—
 - (a) in England and Wales, a magistrates’ court;
 - (b) in Scotland, the sheriff; and
 - (c) in Northern Ireland, a court of summary jurisdiction, as defined in Article 2(2) of the Magistrates’ Courts (Northern Ireland) Order 1981.
 - (4) Any application for an order under this section—
 - (a) in England and Wales, shall be made by way of complaint; or
 - (b) in Northern Ireland, shall be made by way of civil proceedings on complaint.
 - (5) Sections 21 and 42(2) of the Interpretation Act (Northern Ireland) 1954 (rules and orders regulating procedure of courts etc and assignment of business to particular courts) shall

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apply as if any reference in those provisions to any enactment included a reference to this section.

Offences under Part IXA.

118G If any person fails to comply with any requirement imposed under section 118A(1) or section 118B above, he shall be liable on summary conviction to a penalty of any amount not exceeding level 5 on the standard scale.”

Marginal Citations

M5 1979 c.2.

SCHEDULE 6

Section 27.

RESTRICTION OF HIGHER RATE RELIEF: BENEFICIAL LOANS ETC

Taxation of beneficial loan arrangements

F34₁

Textual Amendments

F34 Sch. 6 para. 3 repealed (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 723, Sch. 8 Pt. 1 (with Sch. 7)

F35₂

Textual Amendments

F35 Sch. 6 para. 2 repealed (3.5.1994 with effect in accordance with s. 88(5) of the amending Act) by 1994 c. 9, s. 88(5), 258, Sch. 26 Pt. V Note

F34₃

Textual Amendments

F34 Sch. 6 para. 3 repealed (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 723, Sch. 8 Pt. 1 (with Sch. 7)

4 Paragraph 6 of that Schedule (meaning of “interest eligible for relief” in Part III, which is superseded by amendments made by paragraph 5 below) shall be omitted.

F36₅

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Textual Amendments

F36 Sch. 6 para. 5 repealed (3.5.1994 with effect in accordance with s. 88(5) of the amending Act) by 1994 c. 9, s. 88(5), 258, **Sch. 26 Pt. V** Note

Applicable rates of capital gains tax

F37₆

Textual Amendments

F37 Sch. 6 para. 6 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

SCHEDULE 7

Section 48.

BASIC LIFE ASSURANCE AND GENERAL ANNUITY BUSINESS

Management expenses

- 1 In section 76 of the Taxes Act 1988 (expenses of management of insurance companies) in subsection (1)—
- (a) in paragraphs (ca) ^{F38}..., for the words “basic life assurance business” there shall be substituted in each place the words “basic life assurance and general annuity business”;
 - (b) in paragraph (d), the words “general annuity business” shall cease to have effect.

Textual Amendments

F38 Words in Sch. 7 para. 1(a) repealed (with effect for accounting periods beginning on or after 1.1.2003 except those ending before 9.4.2003 in accordance with Sch. 33 para. 8(4), Sch. 43 Pt. 3(12) Note 6 of the amending Act) by Finance Act 2003 (c. 14), **Sch. 43 Pt. 3(12)**

Interpretation of Chapter I of Part XII

F39₂

Textual Amendments

F39 Sch. 7 para. 2 repealed (1.5.1995 with effect in accordance with Sch. 8 para. 57 of the amending Act) by 1995 c. 4, s. 162, Sch. 8 para. 57, **Sch. 29 Pt. VIII(5)**, Note 2 (with Sch. 8 para. 55(2), 57(1))

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Apportionment of income and gains

F40³

Textual Amendments

F40 Sch. 7 para. 3 repealed (1.5.1995 with effect in accordance with Sch. 8 para. 57 of the amending Act) by 1995 c. 4, s. 162, Sch. 8 para. 57, Sch. 29 Pt. VIII(5) Note 2 (with Sch. 8 para. 55(2), 57(1))

Computation of trading profit

- 4 (1) In section 436 of that Act (general annuity business and pension business: separate charge on profits) in subsection (1)—
- (a) the words “general annuity business or” shall cease to have effect, and
 - (b) in paragraph (a), for the words “the business of each such class” there shall be substituted the words “that business”.
- (2) In subsection (3) of that section—
- (a) in paragraph (c), the words “or general annuity business”, and
 - (b) in paragraph (e), the words “general annuity business or”,
- shall cease to have effect.
- (3) In subsection (4) of that section, the words “general annuity business or” shall cease to have effect.
- (4) In section 437 of that Act (general annuity business) subsections (2) to (5) shall cease to have effect.

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

- 5 In section 437 of that Act, for subsection (1) there shall be substituted—
- “(1A) In the case of a company carrying on basic life assurance and general annuity business, the new annuities paid in any accounting period by the company shall be regarded as charges on income only to the extent that they do not exceed the income limit for that accounting period.
- (1B) Subsection (1A) above shall not apply to an insurance company charged to corporation tax in accordance with the provisions applicable to Case I of Schedule D in respect of the profits of its life assurance business.
- (1C) For the purposes of this section—
- (a) “new annuity means any annuity, so far as paid under a contract made by an insurance company in an accounting period beginning on or after 1st January 1992 and so far as referable to the company’s basic life assurance and general annuity business;
 - (b) “the income limit for an accounting period of an insurance company is the difference between—
 - (i) the total amount of the new annuities paid by the company in that accounting period; and
 - (ii) the total of the capital elements contained in the new annuities so paid; and

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- (c) the capital element contained in an annuity shall be determined in accordance with Chapter V of Part XIV, but for this purpose—
 - (i) it is immaterial whether or not an annuitant claims any relief to which he is entitled under that Chapter; and
 - (ii) where, by virtue of subsection (2) of section 657, section 656 does not apply to an annuity, the annuity shall be treated as containing the capital element that it would have contained apart from that subsection.

(1D) In any case where—

- (a) a payment in respect of an annuity is made by an insurance company under a group annuity contract made in an accounting period beginning before 1st January 1992,
- (b) the company’s liabilities first include an amount in respect of that annuity in an accounting period beginning on or after that date, and
- (c) the company’s liability in respect of that annuity is referable to its basic life assurance and general annuity business,

the payment shall be treated for the purposes of this section, other than this subsection, as if the group annuity contract had been made in an accounting period beginning on or after 1st January 1992 (and, accordingly, as payment of a new annuity).

(1E) In any case where—

- (a) a payment in respect of an annuity is made by a reinsurer under a reinsurance treaty made in an accounting period beginning before 1st January 1992,
- (b) the reinsurer’s liabilities first include an amount in respect of that annuity in an accounting period beginning on or after that date, and
- (c) the reinsurer’s liability in respect of that annuity is referable to its basic life assurance and general annuity business,

the payment shall, as respects the reinsurer, be treated for the purposes of this section, other than this subsection, as if the reinsurance treaty had been made in an accounting period beginning on or after 1st January 1992 (and, accordingly, as payment of a new annuity).

(1F) In this section—

“group annuity contract means a contract between an insurance company and some other person under which the company undertakes to become liable to pay annuities to or in respect of such persons as may subsequently be specified or otherwise ascertained under or in accordance with the contract (whether or not annuities under the contract are also payable to or in respect of persons who are specified or ascertained at the time the contract is made);

“reinsurance treaty means a contract under which one insurance company is obliged to cede, and another (in this section referred to as a “reinsurer) to accept, the whole or part of a risk of a class or description to which the contract relates.”

Transfer of assets between classes of business

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Textual Amendments

F41 Sch. 7 para. 6 repealed (1.5.1995 with effect in accordance with Sch. 8 para. 57 of the amending Act) by 1995 c. 4, s. 162, Sch. 8 para. 57, **Sch. 29 Pt. VIII(5)** Note 2 (with Sch. 8 para. 55(2), 57(1))

United Kingdom branches of overseas life assurance companies

7 (1) In section 446 of that Act (computation under section 436 of profits arising to an overseas life assurance company)—
^{F42}(a)
(b) subsections (2) and (3),
shall cease to have effect.

^{F42}(2)

(3) Subsection (3) of that section (proportion of profits arising from general annuity business for purposes of section 446) shall cease to have effect.

^{F42}(4)

^{F42}(5)

Textual Amendments

F42 Sch. 7 para. 7(1)(a)(2)(4)(5) repealed (27.7.1993 with application as mentioned in s. 103(3)(4) of the amending Act) by 1993 c. 34, ss. 103(3)(4), 213, **Sch. 23 Pt.III.**

Treatment of tax-free income

8 In section 474 of that Act, in subsection (1)(b) (certain tax-free income to be included in computing profits or loss from pension business and general annuity business) the words “and general annuity business” shall cease to have effect.

Life annuity contracts: taxation of gain on chargeable event

^{F43}9

Textual Amendments

F43 Sch. 7 para. 9 repealed (6.4.2005) by **Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), Sch. 3** (with Sch. 2)

Computation of offshore income gains

^{F44}10

Status: Point in time view as at 24/11/2005.

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Textual Amendments

F44 Sch. 7 para. 10 repealed (1.5.1995 with effect in accordance with Sch. 8 para. 57 of the amending Act) by 1995 c. 4, s. 162, Sch. 8 para. 55, Sch. 29 Pt. VIII(5) Note 1 (with Sch. 8 para. 55(2), 57(1))

Interpretation of sections 85 to 89 of Finance Act 1989

F45 11

Textual Amendments

F45 Sch. 7 para. 11 repealed (with effect for accounting periods beginning on or after 1.1.2003 except those ending before 9.4.2003 in accordance with Sch. 33 para. 8(4), Sch. 43 Pt. 3(12) Note 6 of the amending Act) by Finance Act 2003 (c. 14), Sch. 43 Pt. 3(12)

Miscellaneous receipts

12 In section 85 of the ^{M6}Finance Act 1989 (charge of certain receipts of basic life assurance business) in subsection (1), for the words “basic life assurance business” there shall be substituted the words “basic life assurance and general annuity business”.

Marginal Citations

M6 1989 c. 26.

Spreading of relief for acquisition expenses

13 ^{F46}(1)

(2) After subsection (3) of that section there shall be inserted—

“(3A) Nothing in subsection (1), (2) or (3) above applies to commissions (however described) in respect of annuity contracts made in accounting periods beginning before 1st January 1992, but without prejudice to the application of subsections (1) and (2) above to any commission attributable to a variation, in an accounting period beginning on or after that date, of an annuity contract so made; and for this purpose the exercise of any rights conferred by an annuity contract shall be regarded as a variation of it.”

(3) In subsection (4) of that section (meaning of “the acquisition of business”) after the word “includes” there shall be inserted “(a)” and at the end there shall be added the words “and

(b) the securing, in an accounting period beginning on or after 1st January 1992, of the payment of increased or additional consideration in respect of an annuity contract already made (whether in an accounting period beginning before, or on or after, that date).”

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Textual Amendments

F46 Sch. 7 para. 13(1) repealed (with effect for accounting periods beginning on or after 1.4.2004 in accordance with s. 42 of the amending Act) by Finance Act 2004 (c. 12), Sch. 42 Pt. 2(3)

Deemed disposal of unit trusts etc

^{F47}14

Textual Amendments

F47 Sch. 7 para. 14 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, Sch. 12 (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Exemptions and exclusions from charges by virtue of section 46

^{F48}15

Textual Amendments

F48 Sch. 7 para. 15 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, Sch. 12 (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Transitional relief for old general annuity contracts

16 (1) [^{F49}In the computation, otherwise than in accordance with the provisions applicable to Case I of Schedule D, of the [^{F50}relevant profits (within the meaning of section 88(1) of the Finance Act 1989) of an insurance company for any accounting period], an amount equal to the lesser of the following amounts shall be treated (if it is not nil) as [^{F51}expenses payable which fall to be brought into account for that period at Step 3 in section 76(7) of the Taxes Act 1988,] that is to say—]

- (a) A, and
- (b) $A - (R1 - R2 + C - SV - DB)$,

and if the result of the formula in paragraph (b) above is a negative amount, it shall be taken to be nil.

(2) For the purposes of sub-paragraph (1) above—

A is the gross amount of any annuities paid in the accounting period so far as referable to old annuity contracts;

R1 is the amount of the company's opening liabilities for the accounting period in respect of old annuity contracts;

R2 is the amount of the company's closing liabilities for the accounting period in respect of old annuity contracts;

C is the amount of any consideration received in the accounting period in respect of old annuity contracts;

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SV is the amount of any sums paid in the accounting period by reason of the surrender of rights conferred by old annuity contracts;

DB is the amount of any death benefits paid in the accounting period in respect of old annuity contracts.

^{F52}(3)

^{F52}(4)

(5) If, in the case of an annuity under a group annuity contract made by an insurance company in an accounting period beginning before 1st January 1992—

- (a) the company's liabilities first include an amount in respect of that annuity in an accounting period beginning on or after that date, and
- (b) the company's liability in respect of that annuity is referable to its basic life assurance and general annuity business,

the group annuity contract, so far as relating to that annuity, shall be treated for the purposes of this paragraph, other than this sub-paragraph, as if it had been made in an accounting period beginning on or after 1st January 1992 (and were, accordingly, not an old annuity contract).

(6) If, in the case of an annuity which is subject to a reinsurance treaty made by the reinsurer in an accounting period beginning before 1st January 1992—

- (a) the reinsurer's liabilities first include an amount in respect of that annuity in an accounting period beginning on or after that date, and
- (b) the reinsurer's liability in respect of that annuity is referable to its basic life assurance and general annuity business,

the reinsurance treaty, as respects the reinsurer and so far as relating to that annuity, shall be treated for the purposes of this paragraph, other than this sub-paragraph, as if it had been made in an accounting period beginning on or after 1st January 1992 (and were, accordingly, not an old annuity contract).

(7) In this paragraph—

“general annuity contract means an annuity contract so far as referable to general annuity business;

“group annuity contract means a contract between an insurance company and some other person under which the company undertakes to become liable to pay annuities to or in respect of such persons as may subsequently be specified or otherwise ascertained under or in accordance with the contract (whether or not annuities under the contract are also payable to or in respect of persons who are specified or ascertained at the time the contract is made);

“old annuity contract means a general annuity contract made by an insurance company in an accounting period beginning before 1st January 1992;

“reinsurance treaty means a contract under which one insurance company is obliged to cede, and another (in this paragraph referred to as a “reinsurer) to accept, the whole or part of a risk of a class or description to which the contract relates;

and, subject to that, expressions used in this paragraph and in Chapter I of Part XII of the Taxes Act 1988 have the same meaning in this paragraph as they have in that Chapter.

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Textual Amendments

- F49** Words in Sch. 7 para. 16(1) substituted (with effect in relation to accounting periods beginning after 5.3.1997 in accordance with s. 67(7) of the amending Act) by [Finance Act 1997 \(c. 16\), s. 67\(6\)](#)
- F50** Words in Sch. 7 para. 16(1) substituted (with effect for accounting periods ending on or after 9.4.2003 in accordance with [Sch. 33 para. 6\(12\)](#) of the amending Act) by [Finance Act 2003 \(c. 14\), Sch. 33 para. 6\(10\)](#)
- F51** Words in [Sch. 7 para. 16\(1\)](#) substituted (28.9.2004 with effect in accordance with art. 1(2) of the amending S.I.) by [The Finance Act 2004, Sections 38 to 40 and 45 and Schedule 6 \(Consequential Amendment of Enactments\) Order 2004 \(S.I. 2004/2310\), art. 1\(2\), Sch. para. 47\(2\)](#)
- F52** [Sch. 7 para. 16\(3\)\(4\)](#) repealed (with effect in relation to accounting periods beginning after 5.3.1997) by 1997 c. 16, s. 113, [Sch. 18 Pt. VI\(6\) Note](#)

Modifications etc. (not altering text)

- C5** [Sch. 7 para. 16](#) modified (10.8.1995) by [The Friendly Societies \(Modification of the Corporation Tax Acts\) Regulations 1992 \(S.I. 1992/1655\), reg. 20A](#) (as inserted by [S.I. 1995/1916, reg. 10](#))
- C6** [Sch. 7 para. 16](#) modified (with effect for accounting periods beginning on or after 1.1.2005) by [The Friendly Societies \(Modification of the Corporation Tax Acts\) Regulations 2005 \(S.I. 2005/2014\), regs. 1, 33](#)
- C7** [Sch. 7 para. 16\(7\)](#) modified (20.3.1997 but with retrospective effect to 1.1.1995) by [The Friendly Societies \(Modification of the Corporation Tax Acts\) Regulations 1997 \(S.I. 1997/473\), regs. 1\(2\), 42](#)

Transitional provisions for chargeable gains and unrelieved general annuity losses

- 17 (1) An insurance company's unrelieved general annuity losses shall be relieved under this paragraph by setting them against the relevant part of any chargeable gains arising to the company in accounting periods beginning on or after 1st January 1992.
- (2) Any relief under this paragraph shall be given as far as possible for the first accounting period of the company beginning on or after 1st January 1992 and, so far as it cannot be so given, for the next accounting period, and so on.
- (3) For the purposes of this paragraph an insurance company's "unrelieved general annuity losses are so much of any losses—
- (a) arising from the company's general annuity business in an accounting period or year of assessment beginning before 1st January 1992, and
- (b) computed as mentioned in paragraph (c) of subsection (3) of section 436 of the Taxes Act 1988 as it applied in relation to such accounting periods,
- as, by virtue only of an insufficiency of profits, cannot be relieved under that subsection (or any previous enactment which it re-enacts) by setting them off against the profits of such an accounting period or year of assessment.
- (4) For the purposes of this paragraph the relevant part of the chargeable gains arising to a company in an accounting period shall be determined by the application of the following formula—

$$X \times \frac{Y}{Z}$$

where—

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X is so much of the chargeable gains arising to the company in the accounting period as are referable to its basic life assurance and general annuity business;
Y is the mean of the company's opening and closing liabilities for the accounting period in respect of old annuity contracts; and
Z is the mean of the company's opening and closing liabilities for the accounting period in respect of its basic life assurance and general annuity business.

(5) Sub-paragraphs (5) to (7) of paragraph 16 above shall apply for the purposes of this paragraph as they apply for the purposes of that paragraph.

Modifications etc. (not altering text)

- C8** Sch. 7 para. 17 modified (with effect for accounting periods beginning on or after 1.1.2005) by [The Friendly Societies \(Modification of the Corporation Tax Acts\) Regulations 2005 \(S.I. 2005/2014\)](#), regs. 1, 34
- C9** Sch. 7 para. 17(4) modified (20.3.1997; but with retrospective effect to 1.1.1995) by [The Friendly Societies \(Modification of the Corporation Tax Acts\) Regulations 1997 \(S.I. 1997/473\)](#), regs. 1(2), 43

Application of this Schedule

18 Paragraphs 1, 3, 4, 5, 6(1) and (2), 7, 8, 10 to 14, 16 and 17 above have effect with respect only to accounting periods beginning on or after 1st January 1992.

F53 SCHEDULE 8

Textual Amendments

- F53** Sch. 8 repealed (22.3.2001 with effect in accordance with s. 87 of the amending Act) by [2001 c. 9, s. 110, Sch. 33 Pt. 2\(12\)](#)

SCHEDULE 9

Section 50.

FRIENDLY SOCIETIES

Tax exempt life or endowment business

- 1 (1) Section 460 of the Taxes Act 1988 (exemption from tax in respect of life or endowment business) shall be amended as follows.
- (2) Subsection (2) shall be amended as mentioned in sub-paragraphs (3) to (6) below.
- (3) Before sub-paragraph (i) of paragraph (c) there shall be inserted—
- “(ai) where the profits relate to contracts made on or after the day on which the Finance Act 1991 was passed, of the assurance of gross sums under contracts under which the

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total premiums payable in any period of 12 months exceed £200 or of the granting of annuities of annual amounts exceeding £156;”.

- (4) In that sub-paragraph, for “31st August 1987” there shall be substituted “31st August 1990 but before the day on which the Finance Act 1991 was passed ”.
- (5) In sub-paragraph (ia) of paragraph (c), after “£100” there shall be inserted “or of the granting of annuities of annual amounts exceeding £156 ”.
- (6) At the end of that paragraph, for “and” there shall be substituted—
“(ca) shall not apply to so much of the profits arising from life or endowment business as is attributable to contracts for the assurance of gross sums made on or after 20th March 1991 and expressed at the outset not to be made in the course of tax exempt life or endowment business; and”.
- (7) In subsection (3)—
(a) for “subsection (2)(c)(i) or (ia)” there shall be substituted “subsection (2)(c)(ai), (i) or (ia) ”;
(b) for “subsection (2)(c)(i)” there shall be substituted “subsection (2)(c)(ai), (i) or (ia) ”.
- (8) After subsection (4) there shall be inserted—
“(4A) Subsection (4B) below applies to contracts for the assurance of gross sums under tax exempt life or endowment business made after 31st August 1987 and before the day on which the Finance Act 1991 was passed.
(4B) Where the amount payable by way of premium under a contract to which this subsection applies is increased by virtue of a variation made in the period beginning with the day on which the Finance Act 1991 was passed and ending with 31st July 1992, the contract shall be treated for the purposes of subsection (2)(c) above as made at the time of the variation.”
- 2 After section 462 of that Act there shall be inserted—

“462A Election as to tax exempt business.

- (1) Where a registered friendly society has tax exempt life or endowment business which includes contracts—
(a) made before 20th March 1991, and
(b) expressed at the outset not to be made in the course of such business,
the society may by notice to the inspector elect that section 460(1) shall not apply to so much of the profits arising from such business as is attributable to such contracts.
- (2) Where a registered friendly society has tax exempt life or endowment business which includes contracts falling within subsection (3) below, the society may by notice to the inspector elect that section 460(1) shall not apply to so much of the profits arising from such business as is attributable to such contracts.
- (3) A contract falls within this subsection if—

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- (a) at the outset, it is neither expressed to be made in the course of tax exempt life or endowment business nor expressed not to be so made but is assumed by the society not to be so made, and
 - (b) the policy issued in pursuance of it falls within paragraph 21(1)(b) of Schedule 15.
- (4) An election under subsection (2) above shall only be valid if the society satisfies the inspector (or the Commissioners on appeal) that it is possible to identify all the contracts to which the election relates.
- (5) If the inspector decides that he is not satisfied as mentioned in subsection (4) above, he shall give notice of his decision to the society; and section 42(3), (4) and (9) of, and paragraph 1(1) to (1E) of Schedule 2 to, the Management Act shall apply in relation to such a decision as they apply in relation to a decision of an inspector on a claim.
- (6) An election under subsection (1) or (2) above shall have effect for accounting periods ending on or after the day on which the Finance Act 1991 was passed.
- (7) No election under subsection (1) or (2) above may be made after 31st July 1992.
- (8) Where a friendly society has made an election under subsection (1) or (2) above, then, for any accounting period for which the election has effect—
- (a) section 460(1) shall apply to profits arising from life or endowment business which would have been included in the society's tax exempt life or endowment business had no account been taken of the contracts to which the election relates, and
 - (b) section 462(1), in its application to the society, shall have effect with the insertion after "societies" of "and all policies issued in pursuance of contracts to which an election under section 462A(1) or (2) relates".

Maximum benefits payable to members

- 3 (1) Section 464 of that Act (maximum benefits payable to members) shall be amended as follows.
- (2) In subsection (3), before paragraph (a) there shall be inserted—
- “(za) contracts under which the total premiums payable in any period of 12 months exceed £200; or”.
- (3) In paragraph (a) of subsection (3), after “contracts” there shall be inserted “made before the day on which the Finance Act 1991 was passed and”.
- (4) After subsection (4) there shall be inserted—
- “(4A) Subsection (4B) below applies to contracts for the assurance of gross sums under tax exempt life or endowment business made after 31st August 1987 and before the day on which the Finance Act 1991 was passed.
- (4B) Where the amount payable by way of premium under a contract to which this subsection applies is increased by virtue of a variation made in the period beginning with the day on which the Finance Act 1991 was passed and

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ending with 31st July 1992, the contract shall be treated for the purposes of subsection (3) above as made at the time of the variation.”

Qualifying policies

- 4 (1) In Schedule 15 to that Act (qualifying policies) in paragraph 3, sub-paragraph (1)(c) (contract for policy issued by new society to be made by member over 18) shall be omitted, with the word “and” immediately preceding it.
- (2) This paragraph shall apply in relation to policies issued in pursuance of contracts made on or after the day on which this Act is passed.
- 5 (1) This paragraph applies to any policy—
- (a) issued by a friendly society, or branch of a friendly society, in the course of tax exempt life or endowment business (as defined in section 466 of the Taxes Act 1988), and
 - (b) effected by a contract made after 31st August 1987 and before the day on which this Act is passed.
- (2) Where—
- (a) the amount payable by way of premium under a policy to which this paragraph applies is increased by virtue of a variation made in the period beginning with the day on which this Act is passed and ending with 31st July 1992, and
 - (b) the variation is not such as to cause a person to become in breach of the limits in section 464 of the Taxes Act 1988,
- Schedule 15 to that Act, in its application to the policy, shall have effect, in relation to that variation, with the modifications mentioned in sub-paragraph (3) below.
- (3) The modifications are the omission of paragraph 4(3)(a) and the insertion at the end of paragraph 18(2) of “and as if for paragraph 3(2)(b) above there were substituted—
- (”) subject to sub-paragraph (4) below, the premiums payable under the policy shall be premiums of equal or rateable amounts payable at yearly or shorter intervals over the whole of the term of the policy as from the variation, or, where premiums are not payable for any period after the person liable to pay them or whose life is insured has attained a specified age, being an age attained at a time not less than ten years after the beginning of the term of the policy, over the whole of the remainder of the period for which premiums are payable.””

SCHEDULE 10

Section 51.

BUILDING SOCIETIES: QUALIFYING SHARES

Capital gains: exemption

Status: Point in time view as at 24/11/2005.

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Textual Amendments

F54 Sch. 10 para. 1 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Accrued income scheme: inclusion

- 2 (1) Section 710 of the Taxes Act 1988 (meaning of “securities” for the purposes of the accrued income scheme) shall be amended as follows.
- (2) In subsection (2), after “ “Securities” does not” there shall be inserted “, except as provided by subsection (2A) below, ”.
- (3) After that subsection there shall be inserted—
- “(2A) “Securities includes shares in a building society which are qualifying shares for the purposes of section 64(3E) of the Finance Act 1984 (qualifying corporate bonds).”
- (4) This paragraph shall have effect in relation to the application of sections 711 to 728 of the Taxes Act 1988 to transfers of securities on or after the day on which this Act is passed.

Incidental costs of issue

- 3 (1) The following section shall be inserted after section 477A of the Taxes Act 1988—
- “477B Building societies: incidental costs of issuing qualifying shares.**
- (1) In computing for the purposes of corporation tax the income of a building society from the trade carried on by it, there shall be allowed as a deduction, if subsection (2) below applies, the incidental costs of obtaining finance by means of issuing shares in the society which are qualifying shares.
- (2) This subsection applies if any amount payable in respect of the shares by way of dividend or interest is deductible in computing for the purposes of corporation tax the income of the society from the trade carried on by it.
- (3) In subsection (1) above, “the incidental costs of obtaining finance means expenditure on fees, commissions, advertising, printing and other incidental matters (but not including stamp duty), being expenditure wholly and exclusively incurred for the purpose of obtaining the finance (whether or not it is in fact obtained), or of providing security for it or of repaying it.
- (4) This section shall not be construed as affording relief—
- (a) for any sums paid in consequence of, or for obtaining protection against, losses resulting from changes in the rate of exchange between different currencies, or
- (b) for the cost of repaying qualifying shares so far as attributable to their being repayable at a premium or to their having been issued at a discount.
- (5) In this section—

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“dividend has the same meaning as in section 477A, and
“qualifying share has the same meaning as in section 64(3E) of
the Finance Act 1984.”

- (2) This paragraph shall apply in relation to costs incurred on or after the day on which this Act is passed.

Preferential rights of acquisition

F554

Textual Amendments

F55 Sch. 10 para. 4 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

SCHEDULE 11

Section 52.

BUILDING SOCIETIES: MARKETABLE SECURITIES

Deduction of income tax

- 1 (1) Section 349 of the Taxes Act 1988 (annual interest etc.) shall be amended as follows.
- (2) In subsection (2)(a), after “company” there shall be inserted “(other than a building society) ”.
- (3) In subsection (3), paragraph (e) shall be omitted.
- (4) After subsection (3) there shall be inserted—
- “(3A) Subject to subsection (3B) below and to any other provision to the contrary in the Income Tax Acts, where—
- (a) any dividend or interest is paid in respect of a security issued by a building society other than a qualifying certificate of deposit, and
- (b) the security was quoted, or capable of being quoted, on a recognised stock exchange at the time the dividend or interest became payable, the person by or through whom the payment is made shall, on making the payment, deduct out of it a sum representing the amount of income tax thereon for the year in which the payment is made.
- (3B) Subsection (3A) above does not apply to any payment to which section 124 applies.”
- (5) In subsection (4), for “subsection (3)(e) above” there shall be substituted “this section ” and for the words from “and” to the end there shall be substituted—
- “ “qualifying certificate of deposit means a certificate of deposit, as defined in section 56(5), under which—

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- (a) the amount payable by the issuing society, exclusive of interest, is not less than £50,000 (or, for a deposit denominated in foreign currency, not less than the equivalent of £50,000 at the time when the deposit is made), and
- (b) the obligation of the society to pay that amount arises after a period of not more than five years beginning with the date on which the deposit is made; and

“security includes share.”

- 2 (1) Section 477A of the Taxes Act 1988 (building societies: regulations for deduction of tax) shall be amended as follows.
- (2) After subsection (1) there shall be inserted—
 - “(1A) Regulations under subsection (1) above may not make provision with respect to any dividend or interest paid or credited, on or after the day on which the Finance Act 1991 was passed, in respect of a security (other than a qualifying certificate of deposit) which was quoted, or capable of being quoted, on a recognised stock exchange at the time the dividend or interest became payable.”
- (3) After subsection (9) there shall be inserted—
 - “(10) In this section—
 - “qualifying certificate of deposit has the same meaning as in section 349, and
 - “security includes share.”

Collection

- 3 (1) Schedule 16 to the Taxes Act 1988 (collection of income tax on company payments which are not distributions), in its application to building societies by virtue of section 350(4) of that Act, shall have effect as if for paragraph 2(2)(a) there were substituted—
 - “(a) each complete quarter falling within the accounting period, that is to say, each of the periods of three months ending with the last day of February, May, August and November;”.
- (2) In section 350(4) of that Act, the second reference to regulations shall be treated as including a reference to sub-paragraph (1) above.
- (3) Regulations under section 350(4) of that Act (power to modify Schedule 16) may repeal sub-paragraphs (1) and (2) above.
- 4 (1) A building society may not make more than one claim to relief under paragraph 5 of Schedule 16 to the Taxes Act 1988 (set-off of income tax borne on company income against tax payable) in respect of the same deduction.
- (2) In sub-paragraph (1) above, the reference to a claim under paragraph 5 of Schedule 16 to the Taxes Act 1988 includes a reference to a claim under that paragraph as applied by regulations under section 477A(1) of that Act.

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Information

- 5 (1) In section 18 of the ^{M7}Taxes Management Act 1970 (information about interest payments) after subsection (3C) there shall be inserted—
- “(3D) For the purposes of this section, the payment by a building society of a dividend in respect of a share in the society shall be treated as the payment of interest.”
- (2) This paragraph shall have effect as regards a case where the payment is made on or after the day on which this Act is passed.

Marginal Citations

M7 1970 c. 9.

SCHEDULE 12

Section 54.

SECURITIES: NEW ISSUES

General treatment of extra return

- 1 The following section shall be inserted after section 587 of the Taxes Act 1988—
- “587A New issues of securities: extra return.**
- (1) This section applies where—
- securities (old securities) of a particular kind are issued by way of the original issue of securities of that kind,
 - on a later occasion securities (new securities) of the same kind are issued,
 - a sum (the extra return) is payable in respect of the new securities, by the person issuing them, to reflect the fact that interest is accruing on the old securities,
 - the issue price of the new securities includes an element (whether or not separately identified) representing payment for the extra return, and
 - the extra return is equal to the amount of interest payable for the relevant period on so many old securities as there are new (or, if there are more new securities than old, the amount of interest which would be so payable if there were as many old securities as new).
- (2) Anything payable or paid by way of the extra return shall be treated for the purposes of the Tax Acts as payable or paid by way of interest (to the extent that it would not be so treated apart from this subsection).
- (3) But as regards any payment by way of the extra return, relief shall not be given under any provision of the Tax Acts to the person by whom the new securities are issued; and “relief here means relief by way of deduction in computing profits or gains or deduction or set off against income or total profits.

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- (4) For the purposes of this section securities are of the same kind if they are treated as being of the same kind by the practice of a recognised stock exchange or would be so treated if dealt with on such a stock exchange.
- (5) For the purposes of this section the relevant period is the period beginning with the day following the relevant day and ending with the day on which the new securities are issued.
- (6) For the purposes of this section the relevant day is—
- (a) the last (or only) interest payment day to fall in respect of the old securities before the day on which the new securities are issued, or
 - (b) the day on which the old securities were issued, in a case where no interest payment day fell in respect of them before the day on which the new securities are issued;
- and an interest payment day, in relation to the old securities, is a day on which interest is payable under them.”

Accrued income scheme

2 The following section shall be inserted after section 726 of the Taxes Act 1988—

“726A New issues of securities.

- (1) This section applies where—
- (a) securities (old securities) of a particular kind are issued by way of the original issue of securities of that kind,
 - (b) on a later occasion securities (new securities) of the same kind are issued,
 - (c) a sum (the extra return) is payable in respect of the new securities, by the person issuing them, to reflect the fact that interest is accruing on the old securities,
 - (d) the issue price of the new securities includes an element (whether or not separately identified) representing payment for the extra return, and
 - (e) the extra return is equal to the amount of interest payable for the relevant period on so many old securities as there are new (or, if there are more new securities than old, the amount of interest which would be so payable if there were as many old securities as new).
- (2) For the purposes of sections 710 to 728—
- (a) the new securities shall be treated as having been issued on the relevant day;
 - (b) they shall be treated as transferred to the person to whom they are in fact issued (though not treated as transferred by any person);
 - (c) the transfer shall be treated as a transfer with accrued interest and as made on the day on which the new securities are in fact issued;
 - (d) that day shall be treated as the settlement day (notwithstanding section 712);

but this subsection is subject to subsection (7) below.

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- (3) If the new securities are in fact issued under an arrangement by virtue of which the acquirer accounts to the issuer separately for the extra return mentioned in subsection (1) above and the rest of the issue price, in relation to the transfer mentioned in subsection (2)(b) above—
- (a) section 713(4) shall not apply, and
 - (b) for the purposes of section 713(2) the accrued amount shall be the amount found under subsection (4) or (5) below (as the case may be);
- and here “the acquirer means the person to whom the new securities are in fact issued and “the issuer means the person by whom they are in fact issued.
- (4) Subject to subsection (5) below, the amount is one equal to the amount (if any) of the extra return separately accounted for.
- (5) If the interest on the new securities is payable in a currency other than sterling, the amount is the sterling equivalent on the settlement day of the amount found under subsection (4) above; and for this purpose the sterling equivalent of an amount on the settlement day is the sterling equivalent calculated by reference to the London closing rate of exchange for that day.
- (6) If the new securities are in fact issued otherwise than as mentioned in subsection (3) above, section 713(4)(b) shall apply in relation to the transfer mentioned in subsection (2)(b) above.
- (7) If the new securities are securities to which section 717 applies (after applying subsection (2)(a) above) subsection (2)(b) to (d) above shall not apply.
- (8) For the purposes of this section the relevant period is the period beginning with the day following the relevant day and ending with the day on which the new securities are in fact issued.
- (9) For the purposes of this section the relevant day is—
- (a) the last (or only) interest payment day to fall in respect of the old securities before the day on which the new securities are in fact issued, or
 - (b) the day on which the old securities were issued, in a case where no interest payment day fell in respect of them before the day on which the new securities are in fact issued.”

Deep discount securities

F56³

Textual Amendments

F56 Sch. 12 para. 3 repealed (the repeal coming into force in accordance with Ch. II of Pt. IV of the amending Act) by 1996 c. 8, s. 205, Sch. 41 Pt. V(3) Note

Deep gain securities

F57⁴

Status: Point in time view as at 24/11/2005.

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Textual Amendments

F57 Sch. 12 para. 4 repealed (the repeal coming into force in accordance with Ch. II of Pt. IV of the amending Act) by 1996 c. 8, s. 205, Sch. 41 Pt. V(3) Note

General

5 This Schedule applies if the new securities are issued on or after 19th March 1991 (whether the old securities are issued before or on or after that day).

SCHEDULE 13

Section 58.

MANUFACTURED DIVIDENDS AND INTEREST

The new arrangements

1 After Schedule 23 to the Taxes Act 1988 there shall be inserted—

“SCHEDULE 23A

Section 736A.

MANUFACTURED DIVIDENDS AND INTEREST

Interpretation

1 (1) In this Schedule—

“approved stock lending arrangement means an arrangement such as is mentioned in subsection (1), (2) or (2A) of section 129 and in relation to which that section and section 149B(9) of the 1979 Act apply;

“dividend manufacturer has the meaning given by paragraph 2(1) below;

“dividend manufacturing regulations means regulations made by the Treasury under this Schedule;

“interest manufacturer has the meaning given by paragraph 3(1) below;

“manufactured dividend, “manufactured interest and “manufactured overseas dividend shall be construed respectively in accordance with paragraphs 2, 3 and 4 below, as shall references to the gross amount thereof;

“market maker, in relation to any shares, stock or other securities, means a person who—

(a) holds himself out at all normal times in compliance with the rules of the Stock Exchange as willing to buy and sell shares, stock or other securities of the kind concerned at a price specified by him, and

(b) is recognised as doing so by the Council of the Stock Exchange, but subject to any regulations under sub-paragraph (2) below;

“overseas dividend means any interest, dividend or other annual payment payable in respect of any overseas securities;

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“overseas dividend manufacturer has the meaning given by paragraph 4(1) below;

“overseas securities means—

- (a) shares, stock or other securities issued by a government or public or local authority of a territory outside the United Kingdom or by any other body of persons not resident in the United Kingdom; and
- (b) quoted Eurobonds held in a recognised clearing system, within the meaning of section 124;

“overseas tax means tax under the law of a territory outside the United Kingdom;

“overseas tax credit means any such credit under the law of a territory outside the United Kingdom in respect of overseas tax as corresponds to a tax credit;

“prescribed means prescribed in dividend manufacturing regulations;

“recognised clearing house means a recognised clearing house within the meaning of the Financial Services Act 1986;

“recognised investment exchange means a recognised investment exchange within the meaning of that Act;

“securities includes any loan stock or similar security;

“transfer includes any sale or other disposal;

“unapproved manufactured payment, subject to any regulations under sub-paragraph (2) below, means—

- (a) any manufactured dividend, manufactured interest or manufactured overseas dividend paid in connection with an unapproved stock lending arrangement, and
- (b) any manufactured dividend or manufactured interest not falling within paragraph (a) above which is paid in respect of United Kingdom securities or United Kingdom equities by a person other than one who is—
 - (i) a market maker in relation to United Kingdom securities or United Kingdom equities of the kind in question, or
 - (ii) in such circumstances as may be prescribed, a member, of a prescribed class or description, of a prescribed recognised investment exchange, or
 - (iii) in such circumstances as may be prescribed, a prescribed recognised clearing house, and which is so paid otherwise than in connection with an approved stock lending arrangement;

“unapproved stock lending arrangement means an arrangement such as is mentioned in subsection (1), (2) or (2A) of section 129, but which, in consequence of regulations under subsection (4) of that section, is not an approved stock lending arrangement;

“United Kingdom equities means shares of any company resident in the United Kingdom;

“United Kingdom securities means securities of the government of the United Kingdom, of any public or local authority in the United Kingdom or of any company or other body resident in the United Kingdom, but does not include quoted Eurobonds held in a

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recognised clearing system, within the meaning of section 124, or United Kingdom equities.

- (2) Dividend manufacturing regulations may amend sub-paragraph (1) above—
- (a) by changing the definition for the time being of “market maker”; or
 - (b) by changing the definition for the time being of “unapproved manufactured payment”.

Manufactured dividends on United Kingdom equities

- 2 (1) This paragraph applies in any case where, under a contract or other arrangements for the transfer of United Kingdom equities, one of the parties (the “dividend manufacturer”) is required to pay to the other (“the recipient”) an amount representative of a dividend on the equities; and in this Schedule the “manufactured dividend means any payment which the dividend manufacturer makes in discharge of that requirement.
- (2) If, in a case where this paragraph applies, the dividend manufacturer is a company resident in the United Kingdom, then, for all purposes of the Tax Acts, the manufactured dividend shall be treated as if it were a dividend of, and paid by, the dividend manufacturer (and shall accordingly be a distribution of the dividend manufacturer for those purposes).
- (3) If, in a case where this paragraph applies, the dividend manufacturer is not such a company as is mentioned in sub-paragraph (2) above (so that section 737 applies in relation to the dividend manufacturer) the manufactured dividend shall for all purposes of the Tax Acts be treated in relation to the recipient and all persons claiming title through or under him—
- (a) as if the manufactured dividend were a dividend on the United Kingdom equities,
 - (b) as if any amount required in consequence of section 737 to be deducted by the dividend manufacturer on account of income tax in respect of the gross amount of the manufactured dividend were required to be accounted for by him as advance corporation tax in respect of the dividend, and
 - (c) as if any certificate of deduction of tax required in consequence of that section to be issued in connection with the manufactured dividend were the tax credit certificate that would have been issued had the manufactured dividend in fact been a dividend on the United Kingdom equities.
- (4) For the purposes of sub-paragraph (3)(b) above, the gross amount of a manufactured dividend is the aggregate of the amount of the manufactured dividend and the amount of the tax credit that would have been issued in respect thereof had the manufactured dividend in fact been a dividend on the United Kingdom equities.

Manufactured interest on United Kingdom securities

- 3 (1) This paragraph applies in any case where, under a contract or other arrangements for the transfer of United Kingdom securities, one of the parties (the “interest manufacturer”) is required to pay to the other (“the recipient”) an amount representative of a periodical payment of interest

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on the securities; and in this Schedule the “manufactured interest means any payment which the interest manufacturer makes in discharge of that requirement.

- (2) If, in a case where this paragraph applies, the interest manufacturer is a company resident in the United Kingdom, then, for all purposes of the Tax Acts, the gross amount of the manufactured interest shall be treated as if it were the gross amount of a periodical payment of interest on the securities, but made by the interest manufacturer.
- (3) If, in a case where this paragraph applies, the interest manufacturer is not such a company as is mentioned in sub-paragraph (2) above (so that section 737 applies in relation to the interest manufacturer) the gross amount of the manufactured interest shall for all purposes of the Tax Acts be treated in relation to the recipient, and all persons claiming title through or under him, as if it were the gross amount of a periodical payment of interest on the securities, but made by the interest manufacturer.
- (4) For the purposes of this paragraph the gross amount of any manufactured interest is an amount equal to the gross amount of that periodical payment of interest of which the manufactured interest is representative, as mentioned in sub-paragraph (1) above.

Manufactured overseas dividends

- 4 (1) This paragraph applies in any case where, under a contract or other arrangements for the transfer of overseas securities, one of the parties (the “overseas dividend manufacturer) is required to pay to the other (“the recipient) an amount representative of an overseas dividend on the overseas securities; and in this Schedule the “manufactured overseas dividend means any payment which the overseas dividend manufacturer makes in discharge of that requirement.
- (2) Subject to sub-paragraph (3) below, where this paragraph applies the gross amount of the manufactured overseas dividend shall be treated for all purposes of the Tax Acts as an annual payment, within section 349, but—
 - (a) the amount which is to be deducted from that gross amount on account of income tax shall be an amount equal to the relevant withholding tax on that gross amount; and
 - (b) in the application of sections 338(4)(a) and 350(4) in relation to manufactured overseas dividends the references to Schedule 16 shall be taken as references to dividend manufacturing regulations;and paragraph (a) above is without prejudice to any further amount required to be deducted under dividend manufacturing regulations by virtue of sub-paragraph (8) below.
- (3) If, in a case where this paragraph applies, the overseas dividend manufacturer is not resident in the United Kingdom and the manufactured overseas dividend is paid by him otherwise than in the course of a trade which he carries on through a branch or agency in the United Kingdom, sub-paragraph (2) above shall not apply; but if the manufactured overseas dividend is received by a person resident in the United Kingdom (the “United Kingdom recipient), then unless the United Kingdom recipient shows either—

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- (a) that the overseas dividend manufacturer was entitled to payment of the overseas dividend as the registered holder of the overseas securities, or
- (b) that the overseas dividend manufacturer was entitled to payment of the overseas dividend directly or indirectly from a person from whom he acquired the overseas securities, or to whom he transferred them, and who was so entitled to the payment,

the United Kingdom recipient shall account for and pay an amount of tax in respect of the manufactured overseas dividend equal to that which the overseas dividend manufacturer would have been required to account for and pay had he been resident in the United Kingdom; and any reference in this Schedule to an amount deducted under sub-paragraph (2) above includes a reference to an amount of tax accounted for and paid under this sub-paragraph.

- (4) Where a manufactured overseas dividend is paid after deduction of the amount required by sub-paragraph (2) above, or where the amount of tax required under sub-paragraph (3) above in respect of such a dividend has been accounted for and paid, then for all purposes of the Tax Acts as they apply in relation to persons resident in the United Kingdom or to persons not so resident but carrying on business through a branch or agency in the United Kingdom—

- (a) the manufactured overseas dividend shall be treated in relation to the recipient, and all persons claiming title through or under him, as if it were an overseas dividend of an amount equal to the gross amount of the manufactured overseas dividend, but paid after the withholding therefrom, on account of overseas tax, of the amount deducted under sub-paragraph (2) above; and
- (b) the amount so deducted shall accordingly be treated in relation to the recipient, and all persons claiming title through or under him, as an amount so withheld instead of as an amount on account of income tax.

- (5) For the purposes of this paragraph—

- (a) “relevant withholding tax, in relation to the gross amount of a manufactured overseas dividend, means an amount of tax representative of—
 - (i) the amount (if any) that would have been deducted by way of overseas tax from an overseas dividend on the overseas securities of the same gross amount as the manufactured overseas dividend; and
 - (ii) the amount of the overseas tax credit (if any) in respect of such an overseas dividend;
- (b) the gross amount of a manufactured overseas dividend is an amount equal to the gross amount of that overseas dividend of which the manufactured overseas dividend is representative, as mentioned in sub-paragraph (1) above; and
- (c) the gross amount of an overseas dividend is an amount equal to the aggregate of—
 - (i) so much of the overseas dividend as remains after the deduction of the overseas tax (if any) chargeable on it;

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- (ii) the amount of the overseas tax (if any) so deducted; and
 - (iii) the amount of the overseas tax credit (if any) in respect of the overseas dividend.
- (6) Dividend manufacturing regulations may make provision with respect to the rates of relevant withholding tax which are to apply in relation to manufactured overseas dividends in relation to different overseas territories, but in prescribing those rates the Treasury shall have regard to—
- (a) the rates at which overseas tax would have fallen to be deducted, and
 - (b) the rates of overseas tax credits,
- in overseas territories, or in the particular overseas territory, in respect of payments of overseas dividends on overseas securities.
- (7) Dividend manufacturing regulations may make provision for a person who, in any chargeable period, is an overseas dividend manufacturer to be entitled in prescribed circumstances to set off against each other, in accordance with the regulations—
- (a) overseas tax in respect of any overseas dividends, or amounts deducted under sub-paragraph (2) above from any manufactured overseas dividends, received by him in that chargeable period, and
 - (b) the sums due from him on account of the amounts deducted by him under sub-paragraph (2) above from the manufactured overseas dividends paid by him in that chargeable period,
- and account to the Board for, or as the case may be, claim credit in respect of, the balance.
- (8) Dividend manufacturing regulations may also make provision for cases where a manufactured overseas dividend is paid or otherwise dealt with in circumstances such that, had it been an overseas dividend in respect of the overseas securities, it would have been—
- (a) a relevant foreign dividend, within the meaning of section 123,
 - (b) a foreign dividend, within the meaning of that section,
 - (c) interest on a quoted Eurobond held in a recognised clearing system, within the meaning of section 124, or
 - (d) an overseas public revenue dividend, within the meaning of Part III,
- and, notwithstanding anything in sub-paragraph (2) or (3) above, any such regulations may provide for deductions of an amount determined by reference to the gross amount of the manufactured overseas dividend to be made from the manufactured overseas dividend on account of income tax similar to the deductions that would, in the case of an overseas dividend, be made under subsection (2) or (3) of section 123 or under Part III, as the case may be, and for Parts III and IV of Schedule 3 to apply with prescribed modifications in relation thereto.

Dividends and interest passing through the market

- 5 (1) Sub-paragraph (2) below applies in any case where, under a contract or other arrangements for the transfer of securities, a party (“the payment manufacturer) who satisfies the following condition, that is to say, that he is entitled either—

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- (a) to a dividend or a periodical payment of interest as the registered holder of the securities, or
- (b) to payment, whether directly or indirectly, of any such dividend or interest from a person from whom he acquired the securities or to whom he transferred them,

is required to pay to the other party (“the recipient) an amount representative of that dividend or interest; and in this paragraph the “manufactured payment means any payment which the payment manufacturer makes in discharge of that requirement.

(2) Where this sub-paragraph applies—

- (a) paragraphs 2, 3 and 4 above and section 737 shall not apply in relation to the manufactured payment,
- (b) the dividend or interest shall be treated for all purposes of the Tax Acts as the income of the recipient and not as the income of the payment manufacturer, and
- (c) the manufactured payment shall not be regarded as the income of the recipient,

but this sub-paragraph is subject to sub-paragraphs (3) and (4) below.

(3) In any case where—

- (a) any dividend or interest would, apart from the application or, as the case may be, the subsequent application of this sub-paragraph, be treated by virtue of any provision of this paragraph as the income of a person (the “subsequent manufacturer) who is a party to a further contract or other arrangements for the transfer of securities, and
- (b) under that contract or those arrangements, the subsequent manufacturer is required to pay to the other party (the “subsequent recipient) an amount representative of the dividend or interest (the “subsequent manufactured payment),

sub-paragraph (4) below shall apply instead of sub-paragraph (2) above (and, on any second or subsequent application of this sub-paragraph, instead of sub-paragraph (4) below as it last applied).

(4) Where this sub-paragraph applies—

- (a) paragraphs 2, 3 and 4 above and section 737 shall not apply in relation to the manufactured payment or any subsequent manufactured payment;
- (b) the dividend or interest shall be treated for all purposes of the Tax Acts as the income of the subsequent recipient (or, on a second or subsequent application of sub-paragraph (3) above, the last of them) and not as the income of any other person; and
- (c) neither the manufactured payment nor any subsequent manufactured payment shall be regarded as the income of the recipient or of any subsequent recipient;

but this sub-paragraph is subject to any subsequent application of sub-paragraph (3) above.

(5) Notwithstanding anything in sub-paragraphs (1) to (4) above, in any case where—

- (a) the dividend or interest is an overseas dividend,

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- (b) the payment manufacturer or a subsequent manufacturer is resident in the United Kingdom but the recipient or a subsequent recipient is not so resident, and
- (c) the rates of overseas tax or overseas tax credit applicable to the overseas dividend in relation to the payment manufacturer or subsequent manufacturer falling within paragraph (b) above are different from what they would have been in relation to the recipient or subsequent recipient falling within that paragraph, had the overseas dividend been paid directly to him,

dividend manufacturing regulations may, in such cases as may be prescribed, make provision for tax to be charged on, or for credit in respect of tax to be given to, such one of the manufacturers falling within paragraph (b) above as may be determined in accordance with the regulations, at such rates as may be so determined.

- (6) Any reference in this paragraph to securities is a reference to United Kingdom equities, United Kingdom securities or overseas securities.

Unapproved manufactured payments

- 6 (1) This paragraph applies where a person makes an unapproved manufactured payment.
- (2) Where the unapproved manufactured payment is a manufactured dividend paid by a company, any advance corporation tax paid by the company in respect of the manufactured dividend—
 - (a) shall not be set against any liability of the company to corporation tax as mentioned in section 239;
 - (b) shall not be surrendered under, or otherwise treated as mentioned in, section 240; and
 - (c) shall not be utilised in any other way for the purposes of the Tax Acts;and no franked investment income of a company shall be used to frank (within the meaning of section 241(5)) the manufactured dividend.
- (3) Where the unapproved manufactured payment is manufactured interest paid by a company—
 - (a) relief shall not be given to the company under any provision of the Tax Acts in respect of any amount which the company is required to deduct from the payment on account of income tax; and
 - (b) the company shall not be entitled under paragraph 5(1) of Schedule 16 to claim to set income tax borne by deduction from payments received by it against the income tax which it is liable to pay in respect of the payment of manufactured interest.
- (4) Where the unapproved manufactured payment is a manufactured overseas dividend—
 - (a) relief shall not be given to any person under any provision of the Tax Acts in respect of any amount which he is required to deduct from the payment on account of income tax; and
 - (b) a person shall not be entitled under or by virtue of this Schedule to set—

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- (i) overseas tax in respect of overseas dividends received by him, or
 - (ii) an amount deducted under paragraph 4(2) above in respect of manufactured overseas dividends received by him,
- against any income tax which he is liable to pay in respect of the payment of the manufactured overseas dividend.
- (5) If it appears to an inspector that, notwithstanding the foregoing provisions of this paragraph, franked investment income of a company has been used to frank a manufactured dividend which is an unapproved manufactured payment, he may make an assessment on the dividend manufacturer under sub-paragraph (3) of paragraph 3 of Schedule 13 and that sub-paragraph shall accordingly apply in relation to the amount of advance corporation tax in question.
- (6) If it appears to an inspector that, notwithstanding the foregoing provisions of this paragraph, income tax on income received by an interest manufacturer has been set against an amount deducted by the interest manufacturer on account of income tax on a payment of manufactured interest which is an unapproved manufactured payment, the inspector may make an assessment on the interest manufacturer under paragraph 4 of Schedule 16 and that paragraph shall accordingly apply in relation to the amount of income tax in question.
- (7) In this paragraph “relief means relief by way of—
- (a) deduction in computing profits or gains; or
 - (b) deduction or set off against income or total profits.

Irregular manufactured payments

- 7 (1) Except where paragraph 5(2) or (4) above applies, in any case where (apart from this paragraph)—
- (a) an amount paid by way of manufactured dividend would exceed the amount of the dividend of which it is representative, or
 - (b) the aggregate of—
 - (i) an amount paid by way of manufactured interest or manufactured overseas dividend, and
 - (ii) the tax required to be accounted for in connection with the making of that payment,
 would exceed the gross amount (as determined in accordance with paragraph 3 or 4 above) of the interest or overseas dividend of which it is representative, as the case may be,
- the payment shall, to the extent of an amount equal to the excess, not be regarded for the purposes of this Schedule as made in discharge of the requirement referred to in paragraph 2(1), 3(1) or 4(1) above, as the case may be, but shall instead to that extent be taken for all purposes of the Tax Acts to constitute a separate fee for entering into the contract or other arrangements under which it was made, notwithstanding anything in paragraphs 2 to 4 above.
- (2) Dividend manufacturing regulations may make provision in such circumstances and for such purposes of the Tax Acts as may be prescribed

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for such a fee as is mentioned in sub-paragraph (1) above to be treated as paid in any case that would fall within that sub-paragraph, apart from paragraph 5 above; and, without prejudice to the generality of the foregoing, any such regulations may in particular provide—

- (a) for the amount of the fee to be determined in accordance with the regulations, and
- (b) for such of the persons mentioned in that paragraph as may be prescribed to be treated as paying or, as the case may be, as receiving the fee,

and it is immaterial for the purposes of paragraph (b) above whether or not the person prescribed would, apart from paragraph 5 above, have been regarded by virtue of sub-paragraph (1) above as paying or receiving a fee, or as paying it to, or receiving it from, any other person prescribed under paragraph (b) above.

- (3) For the purpose of giving relief under any provision of the Tax Acts in a case falling within paragraph 3(1) or 4(1) above where (apart from this paragraph) the aggregate referred to in sub-paragraph (1)(b) above would be less than the gross amount there mentioned—
 - (a) the gross amount of the manufactured interest or manufactured overseas dividend shall be taken to be an amount equal to the aggregate referred to in sub-paragraph (1)(b) above, except where paragraph 6 above applies, and
 - (b) where paragraph 6 above applies, the gross amount of the manufactured interest or manufactured overseas dividend shall be taken to be only the amount referred to in sub-paragraph (1)(b)(i) above,

notwithstanding anything in paragraph 3, 4 or 6 above.

- (4) In this paragraph “relief means relief by way of—
 - (a) deduction in computing profits or gains; or
 - (b) deduction or set off against income or total profits.

Dividend manufacturing regulations: general

- 8 (1) Dividend manufacturing regulations may make provision for—
 - (a) such manufactured dividends, manufactured interest or manufactured overseas dividends as may be prescribed, or
 - (b) such dividend manufacturers, interest manufacturers or overseas dividend manufacturers as may be prescribed,

to be treated in prescribed circumstances otherwise than as mentioned in paragraph 2, 3 or 4 above for the purposes of such provisions of the Tax Acts as may be prescribed.

- (2) Dividend manufacturing regulations may make provision with respect to—
 - (a) the accounts and other records which are to be kept,
 - (b) the vouchers which are to be issued or produced,
 - (c) the returns which are to be made,
 - (d) the manner in which amounts required to be deducted or accounted for under or by virtue of this Schedule on account of tax are to be accounted for and paid,

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by dividend manufacturers, interest manufacturers or overseas dividend manufacturers in connection with the manufacturing of dividends, interest or overseas dividends.

- (3) Dividend manufacturing regulations may—
 - (a) make provision for prescribed provisions of the Management Act to apply in relation to manufactured dividends, manufactured interest or manufactured overseas dividends with such modifications, specified in the regulations, as the Treasury think fit;
 - (b) make such further provision with respect to the administration, assessment, collection and recovery of amounts required to be deducted or accounted for under or by virtue of this Schedule on account of tax as the Treasury think fit.
- (4) Dividend manufacturing regulations may make different provision for different cases.”

Power to obtain information in connection with dealings in securities

F58₂

Textual Amendments
F58 Sch. 13 para. 2 repealed (19.3.1997 with effect in relation to, and to transfers under, any arrangement made on or after 1.7.1997) by 1997 c. 16, ss. 76, 113, Sch. 10 Pt. I para. 7(1), Sch. 18 Pt. VI(10) Note 1; S.I. 1997/991, art. 2

Manufactured dividends etc: amendments of section 737

F59₃

Textual Amendments
F59 Sch. 13 para. 3 repealed (19.3.1997 with effect in relation to, and to transfers under, any arrangement made on or after 1.7.1997) by 1997 c. 16, ss. 76, 113, Sch. 10 Pt. I para. 7(1), Sch. 18 Pt. VI(10) Note 1; S.I. 1997/991, art. 2

Consequential provisions

F60₄

Textual Amendments
F60 Sch. 13 para. 4 repealed (19.3.1997 with effect in relation to, and to transfers under, any arrangement made on or after 1.7.1997) by 1997 c. 16, ss. 76, 113, Sch. 10 Pt. I para. 7(1), Sch. 18 Pt. VI(10) Note 1; S.I. 1997/991, art. 2

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F61 SCHEDULE 14

Textual Amendments

F61 Sch. 14 repealed (22.3.2001 with effect as mentioned in s. 579(1) of the amending Act) by 2001 c. 2, s. 580, Sch. 4

SCHEDULE 15

Section 73.

RELIEF FOR COMPANY TRADING LOSSES

The Taxes Management Act 1970 (c. 9)

1 (1) In section 86 of the Taxes Management Act 1970 (interest on overdue tax) after subsection (2) there shall be inserted—

“(2A) In any case where—

- (a) on a claim under section 393A(1) of the principal Act, the whole or any part of a loss incurred in an accounting period (the “later period”) is set off for the purposes of corporation tax against profits of a preceding accounting period (the “earlier period),
- (b) the earlier period does not fall wholly within the period of twelve months immediately preceding the later period, and
- (c) if the claim had not been made, an amount of corporation tax assessed for the earlier period would carry interest in accordance with this section,

then, in determining the amount of interest payable under this section on corporation tax unpaid for the earlier period, no account shall be taken of any reduction in the amount of that tax which results from the claim, except so far as concerns interest for any time after the day following the expiry of the period of nine months from the end of the later period.”

(2) The subsection (2A) inserted by sub-paragraph (1) above shall be omitted where the accounting period referred to in that subsection as the earlier period ends after the appointed day for the purposes of section 86 of the ^{M9}Finance (No.2) Act 1987 so far as relating to the omission of section 86(2)(d) of the Taxes Management Act 1970.

Marginal Citations

M9 1987 c. 51.

F63₂

Textual Amendments

F63 Sch. 15 para. 2 repealed (27.7.1993) by 1993 c. 34, s. 213, Sch. 23 Pt.III.

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

3 In section 114 of the Taxes Act 1988 (special rules for computing profits and losses) in subsection (3), paragraph (c) and the word “and” immediately preceding it shall cease to have effect.

4 In section 118 of that Act (restriction on relief: companies)—
(a) in subsection (1) (treatment of certain amounts which may be given or allowed under section 393(2) etc) for “393(2)” there shall be substituted “393A(1)”; and
(b) in subsection (2), in the definition of “the aggregate amount” (certain amounts given or allowed under section 393(2) etc to form part of that amount) for “393(2)” there shall be substituted “393A(1)”.

F645

Textual Amendments
F64 Sch. 15 para. 5 repealed (31.7.1997 with effect in accordance with s. 20 of the amending Act) by 1997 c. 58, s. 52, Sch. 8 Pt. II(4), Note

F656

Textual Amendments
F65 Sch. 15 para. 6 repealed (31.7.1997 with effect in accordance with s. 20 of the amending Act) by 1997 c. 58, s. 52, Sch. 8 Pt. II(4), Note

7 (1) In section 343 of that Act (company reconstructions without a change of ownership) in subsection (3) (predecessor not entitled to relief under section 394 except as provided by subsection (6); and successor entitled to relief under section 393(1) subject to claim made by predecessor under section 393(2) etc)—

- (a) the words from the beginning to “subsection (6) below; and” shall cease to have effect; and
- (b) for “393(2)” there shall be substituted “393A(1)”.

(2) Subsection (6) of that section shall cease to have effect.

(3) In subsection (7) of that section—

- (a) the words from “then no relief” to “subject to that” shall be omitted; and
- (b) for “(6)” there shall be substituted “(5)”.

8 In section 393 of that Act (losses other than terminal losses)—

- (a) in subsection (1), for the words “subsection (2) below” there shall be substituted the words “section 393A(1)”; and
- (b) in subsection (11) (time limits for claims under section 393) the words from “and a claim under subsection (2) above” onwards shall cease to have effect.

F669

Status: Point in time view as at 24/11/2005.

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Textual Amendments

F66 Sch. 15 para. 9 repealed (27.7.1993 with effect in relation to accounting periods ending after the day appointed for the purposes of s. 10 of the Income and Corporation Taxes Act 1988) by 1993 c. 34, s. 213, Sch. 23 Pt.III.

10 In section 397(2) of that Act (which excludes certain losses in a trade of farming or market gardening from relief under section 393(2)) for “393(2)” there shall be substituted “393A(1) ”.

11 In section 399 of that Act (dealings in commodity futures etc: withdrawal of loss relief) in subsection (2) (relief not to be given under section 393(2) etc in respect of certain losses) for “393(2)” there shall be substituted “393A(1) ”.

12 In section 400 of that Act (write-off of government investment) in subsection (4) (exclusion of amounts in respect of which claim has been made under section 393(2) etc) for “393(2)” there shall be substituted “393A(1) ”.

^{F67}13

Textual Amendments

F67 Sch. 15 para. 13 repealed (31.7.1998 with effect in accordance with s. 38(2)(3) of the amending Act) by 1998 c. 36, ss. 38(2)(3), 165, Sch. 27 Pt. III(4), Note

14 (1) In section 407 of that Act (relationship between group relief and other relief) in subsection (1)(b), for “393(2)” there shall be substituted “393A(1) ”.

(2) In subsection (2)(a) of that section, for “393(2) or 394” there shall be substituted “393A(1)(b) ”.

15 In section 434 of that Act (insurance companies: franked investment income etc) in subsection (2) (ascertaining for purposes of section 393 or 394 whether and to what extent company has incurred loss on its life assurance business) for “394” there shall be substituted “393A(1) ”.

16 In section 458 of that Act (capital redemption business) in subsection (2) (ascertaining whether and to what extent person has incurred loss on capital redemption business for purposes of section 380 or sections 393 and 394) for “394” there shall be substituted “393A(1) ”.

17 In section 492 of that Act (treatment of oil extraction activities etc for tax purposes) in subsection (3) (restriction on relief under section 393(2) against ring fence profits) for “393(2)” there shall be substituted “393A(1) ”.

^{F68}18

Textual Amendments

F68 Sch. 15 para. 18 repealed (the repeal coming into force in accordance with s. 39(4)(5) of the repealing Act) by 1995 c. 4, ss. 39(4)(5), 162, Sch. 29 Pt. VIII(1) Note

19 (1) In section 518 of that Act (harbour reorganisation schemes) in subsection (3) (person to whom harbour authority transferred entitled to relief under section 393(1)

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in certain circumstances but subject to any claim made by transferor under section 393(2) for “393(2)” there shall be substituted “393A(1)”.

- (2) Subsection (6) of that section (transferor not entitled to relief under section 394 in respect of the trade) shall cease to have effect.
- 20 (1) After section 768 of that Act (change in ownership: trading losses not to be carried forward) there shall be inserted the following section—

“768A Change in ownership: disallowance of carry back of trading losses.

(1) In any case where—

- (a) within any period of three years there is both a change in the ownership of a company and (either earlier or later in that period, or at the same time) a major change in the nature or conduct of a trade carried on by the company, or
- (b) at any time after the scale of the activities in a trade carried on by a company has become small or negligible, and before any considerable revival of the trade, there is a change in the ownership of the company,

no relief shall be given under section 393A(1) by setting a loss incurred by the company in an accounting period ending after the change in ownership against any profits of an accounting period beginning before the change in ownership.

- (2) Subsections (2) to (4), (8) and (9) of section 768 shall apply for the purposes of this section as they apply for the purposes of that section.
- (3) This section applies in relation to changes in ownership occurring on or after 14th June 1991.”

- (2) In section 769 of that Act (rules for ascertaining change in ownership in company)—
- (a) in subsections (1), (2)(d) and (5), for the words “section 768” there shall be substituted the words “sections 768 and 768A”; and
- (b) in subsections (3) and (4), after the words “section 768” there shall be inserted the words “or 768A”.
- 21 In section 808 of that Act (restriction on deduction of interest or dividends from trading income so as to give rise to losses to be set off under section 393 or 436) after “393” there shall be inserted “393A(1)”.
- 22 In section 825 of that Act, in subsection (4) (restrictions on repayment supplement) after paragraph (b) there shall be added the words “and
- (c) a repayment of corporation tax or income tax falling to be made as a result of a claim under section 393A(1) to have the whole or any part of a loss incurred in an accounting period set off against profits of an earlier accounting period (“the earlier period)—
- (i) shall, in a case where the earlier period falls wholly within the period of twelve months immediately preceding the accounting period in which the loss was incurred, be treated as a repayment of tax paid for the earlier period; and
- (ii) in any other case, shall be treated as a repayment of tax paid for the accounting period in which the loss is incurred; and

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- (d) a payment of the whole or part of a tax credit falling to be made as a result of a claim under section 242, to the extent that a surplus of franked investment income for an accounting period (the “earlier period”) is treated as there mentioned for the purpose of setting a loss incurred in a later accounting period against total profits under section 393A(1)—
- (i) shall, in a case where the earlier period falls wholly within the period of twelve months immediately preceding the accounting period in which the loss is incurred, be treated as a payment in respect of franked investment income received in the earlier period; and
 - (ii) in any other case, shall be treated as a payment in respect of franked investment income received in the accounting period in which the loss is incurred.”
- 23 In section 826 of that Act (interest on tax overpaid) after subsection (7) there shall be inserted—
- “(7A) In any case where—
- (a) a company carrying on a trade incurs a loss in the trade in an accounting period (“the later period),
 - (b) as a result of a claim under section 393A(1), the whole or any part of that loss is set off for the purposes of corporation tax against profits (of whatever description) of an earlier accounting period (“the earlier period) which does not fall wholly within the period of twelve months immediately preceding the later period, and
 - (c) a repayment falls to be made of corporation tax paid for the earlier period or of income tax in respect of a payment received by the company in that accounting period,
- then, in determining the amount of interest (if any) payable under this section on the repayment referred to in paragraph (c) above, no account shall be taken of any increase in the amount of that repayment as a result of the claim under section 393A(1), except so far as concerns interest for any time after the date on which any corporation tax for the later period became (or, as the case may be, would have become) due and payable, as mentioned in subsection (2) above.
- (7B) In any case where—
- (a) a company carrying on a trade incurs a loss in the trade in an accounting period (“the later period),
 - (b) as a result of a claim under section 242, the whole or any part of a surplus of franked investment income for an earlier accounting period (the “earlier period) which does not fall wholly within the period of twelve months immediately preceding the later period is treated as there mentioned for the purpose of setting the loss against total profits under section 393A(1), and
 - (c) a payment falls to be made of the whole or part of a tax credit comprised in franked investment income received by the company in the earlier period,
- then, in determining the amount of interest (if any) payable under this section on the payment referred to in paragraph (c) above, no account shall be taken of any increase in the amount of that payment as a result of the claim

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under section 242 (to the extent that that section relates to section 393A(1)), except so far as concerns interest for any time after the date on which any corporation tax for the later period became (or, as the case may be, would have become) due and payable, as mentioned in subsection (2) above.”

24 In section 843 of that Act (commencement) in subsection (4) (exceptions in the case of certain provisions which include section 394) “394” shall be omitted.

25 In Schedule 5 to that Act (treatment of farm animals etc for purposes of Case I of Schedule D) in paragraph 2(3)(a) (election for herd basis to be valid only if made not later than two years after end of the first chargeable period in which relief under section 393(2) given etc) after “393(2)” there shall be inserted “or 393A(1) ”.

F69 26

Textual Amendments
F69 Sch. 15 para. 26 repealed (31.7.1998 with effect in accordance with s. 38(2)(3) of the amending Act) by 1998 c. 36, ss. 38(2)(3), 165, Sch. 27 Pt. III(4), Note

27 (1) In Schedule 30 to that Act (transitional provisions and savings) in paragraph 2 (duration of leases) in sub-paragraph (2)(a) (section 38 deemed to have effect as from passing of ^{M10}Finance Act 1963 in respect of relief under section 385 or 393) after “393” there shall be inserted the words “or 393A(1) ”.

(2) In paragraph 3 of that Schedule (duration of leases) in sub-paragraph (1)(b) (sections 24 and 38 to have effect subject to modifications except to extent that section 38 relates to relief under section 385 or 393) after “393” there shall be inserted the words “or 393A(1) ”.

Marginal Citations
M10 1963 c. 25.

The Capital Allowances Act 1990 (c. 1)

F70 28

Textual Amendments
F70 Sch. 15 para. 28 repealed (22.3.2001 with effect as mentioned in s. 579(1) of the amending Act) by 2001 c. 2, s. 580, Sch. 4

F71 SCHEDULE 16

Textual Amendments
F71 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, Sch.12 (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Status: Point in time view as at 24/11/2005.

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Conditions for the charge

F72¹

Textual Amendments

F72 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

The charge

F73²

Textual Amendments

F73 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Construction of paragraph 1(1)(e)

3 F74

Textual Amendments

F74 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Test whether settlor has interest

F75⁴

Textual Amendments

F75 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Exceptions to charge

5 F76

Textual Amendments

F76 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

F77⁶

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Textual Amendments

F77 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

F78⁷

Textual Amendments

F78 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Right of recovery

F79⁸

Textual Amendments

F79 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Meaning of “settlor”

F80⁹

Textual Amendments

F80 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Meaning of “originating”

F81¹⁰

Textual Amendments

F81 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Qualifying settlements, and commencement

F82¹¹

Textual Amendments

F82 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

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Information

F83 12

Textual Amendments

F83 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

F84 13

Textual Amendments

F84 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

F85 14

Textual Amendments

F85 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

F86 15

Textual Amendments

F86 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

F87 16

Textual Amendments

F87 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

F88 17

Textual Amendments

F88 Sch. 16 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

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F89 SCHEDULE 17

Textual Amendments

F89 Sch. 17 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Introduction

F90₁

Textual Amendments

F90 Sch. 17 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Qualifying amounts

F91₂

Textual Amendments

F91 Sch. 17 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Matching capital payments

F92₃

Textual Amendments

F92 Sch. 17 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Increased tax: the main rule

F93₄

Textual Amendments

F93 Sch. 17 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

More than one qualifying amount

F94₅

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Textual Amendments

F94 Sch. 17 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Payment partly ignored

F95⁶

Textual Amendments

F95 Sch. 17 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Parts of amounts matched

F96⁷

Textual Amendments

F96 Sch. 17 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Transfers between settlements

F97⁸

Textual Amendments

F97 Sch. 17 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Matching after transfer

F98⁹

Textual Amendments

F98 Sch. 17 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

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F⁹⁹ SCHEDULE 18

Textual Amendments

F99 Sch. 18 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Computation rules

F100₁

Textual Amendments

F100 Sch. 18 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Dual-resident settlements

F101₂

Textual Amendments

F101 Sch. 18 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

F102₃

Textual Amendments

F102 Sch. 18 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Payments by and to companies

F103₄

Textual Amendments

F103 Sch. 18 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Beneficiaries

F104₅

Status: Point in time view as at 24/11/2005.

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Textual Amendments

F104 Sch. 18 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

Other amendments

F105⁶

Textual Amendments

F105 Sch. 18 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with s. 201(3), Sch. 11 paras. 20, 22, 26(2), 27)

SCHEDULE 19

Section 123.

REPEALS

Commencement Information

I3 [Sch. 19](#) partly in force at 1.12.1988 due to commencement of Part VI

PART I

BETTING AND GAMING DUTIES

Chapter	Short title	Extent of repeal
1981 c. 63.	The Betting and Gaming Duties Act 1981.	In section 14(1)(b), the words “payable after the end of that period and”. In Schedule 2, in paragraph 5, in sub-paragraph (1), the words “of the duty” and, in sub-paragraph (2), the word “duty” and, in paragraph 6(1), “(3)(c)”.

PART II

BEER DUTY

Chapter	Short title	Extent of repeal
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Status: Point in time view as at 24/11/2005.

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1979 c. 4.	The Alcoholic Liquor Duties Act 1979.	In section 1(3), paragraph (b) and the word “or” immediately preceding it. Section 2(6). In section 3, in subsection (3), the words “Subject to subsection (5) below”, and subsection (5). In section 4(1), the definitions of “brewer” and “brewer for sale” and of “limited licence to brew beer”. Sections 37 to 40. Section 45(2). Section 50. Section 53. Sections 71A and 72.
1982 c. 39.	The Finance Act 1982.	Section 9(3) and (4).
1985 c. 54.	The Finance Act 1985.	In Schedule 3, paragraphs 3 and 4.
1986 c. 41.	The Finance Act 1986.	Section 4(1). In section 8(2)(a), the words “47(3), 48(2)”.
1988 c. 39.	The Finance Act 1988.	In Schedule 1, in Part II, paragraphs 1(2), 2(2), 3 and 11.
1989 c. 26.	The Finance Act 1989.	Section 3.

These repeals have effect in accordance with section 7 of this Act.

PART III

VEHICLES EXCISE DUTY: GENERAL

Chapter	Short title	Extent of repeal
1971 c. 10.	The Vehicles (Excise) Act 1971.	In section 4(1)(ka), the words “(other than mowing machines)”. Section 7(4). Section 38(4). Schedule 6.

Status: Point in time view as at 24/11/2005.

Changes to legislation: Finance Act 1991 is up to date with all changes known to be in force on or before 08 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

1972 c. 10 (N.I.).	The Vehicles (Excise) Act (Northern Ireland) 1972.	In section 4(1)(ka), the words “(other than mowing machines)”. Section 7(4). Section 35(4). Schedule 7.
1982 c. 39.	The Finance Act 1982.	Section 5(6). Section 6(7).
1985 c. 54.	The Finance Act 1985.	In Schedule 2, in Part I, paragraph 1.

- 1 The repeals in section 4 of each of the Vehicles (Excise) Act 1971 (“the 1971 Act) and the Vehicles (Excise) Act (Northern Ireland) 1972 (“the 1972 Act) are deemed to have come into force on 20th March 1991.
- 2 The repeals of section 7(4) of each of the 1971 Act and the 1972 Act come into force on 1st October 1991.
- 3 The repeals of section 38(4) of, and Schedule 6 to, the 1971 Act, section 35(4) of, and Schedule 7 to, the 1972 Act and sections 5(6) and 6(7) of the Finance Act 1982, so far as relating to the application of those provisions for the purpose of section 4(1)(g) of either the 1971 Act or the 1972 Act, are deemed to have come into force on 20th March 1991.
- 4 The repeal in Schedule 2 to the Finance Act 1985, and the repeals mentioned in note 3 above so far as relating to the application of the repealed provisions for the purpose of any provision of the 1971 Act or the 1972 Act other than section 4(1)(g), have effect in relation to licences taken out after 20th March 1991.

PART IV

VEHICLE EXCISE DUTY: NORTHERN IRELAND

Commencement Information

I4 [Sch. 19 Pt. IV](#): s. 10 wholly in force (1.10.1991) see [s.10\(3\)](#) and [S.I. 1991/2021](#), [art.2](#)

Chapter	Short title	Extent of repeal
<i>Acts of the Parliament of the United Kingdom</i>		
1971 c. 10.	The Vehicles (Excise) Act 1971.	Section 7(5).
1974 c. 39.	The Consumer Credit Act 1974.	In Schedule 4, paragraph 50.
1975 c. 7.	The Finance Act 1975.	Section 58.
1975 c. 45.	The Finance (No. 2) Act 1975.	Section 6.

Status: Point in time view as at 24/11/2005.

Changes to legislation: Finance Act 1991 is up to date with all changes known to be in force on or before 08 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

1977 c. 36.	The Finance Act 1977.	Section 6.
1978 c. 42.	The Finance Act 1978.	Section 9.
1979 c. 5.	The Hydrocarbon Oil Duties Act 1979.	In Schedule 1, paragraph 5.
1980 c. 48.	The Finance Act 1980.	Section 5.
1981 c. 35.	The Finance Act 1981.	Section 8.
1982 c. 39.	The Finance Act 1982.	Sections 6 and 7(2) and (4). Schedule 4 and, in Schedule 5, Part B.
1983 c. 28.	The Finance Act 1983.	Section 4(6) and (7). In Schedule 3, paragraphs 7 and 12.
1984 c. 43.	The Finance Act 1984.	Section 5(4).
1986 c. 41.	The Finance Act 1986.	Section 3(5). In Schedule 2, Part II.
1987 c. 16.	The Finance Act 1987.	Section 2(4). In Schedule 1, paragraphs 6, 9, 11, 13, 15, 17, 19 and 21.
1988 c. 39.	The Finance Act 1988.	Section 4(5). In Schedule 2, paragraph 6.
1989 c. 26.	The Finance Act 1989.	Section 14(2), (4) and (6).
1990 c. 29.	The Finance Act 1990.	Section 5(4) and (6). In Schedule 2, Part III.
<i>Act of the Parliament of Northern Ireland</i>		
1972 c. 10 (N.I.).	The Vehicles (Excise) Act (Northern Ireland) 1972.	The whole Act.
<i>Orders in Council</i>		
S.I. 1972/1100 (N.I. 11).	The Finance (Northern Ireland) Order 1972.	Article 1(4). Part IV.
S.I. 1980/704 (N.I. 6).	The Criminal Justice (Northern Ireland) Order 1980.	In Schedule 1, paragraphs 62 and 63.
S.I. 1981/154 (N.I. 1).	The Road Traffic (Northern Ireland) Order 1981.	In Schedule 7, paragraphs 14 and 15.
S.I. 1981/1675 (N.I. 26).	The Magistrates' Courts (Northern Ireland) Order 1981.	In Schedule 6, paragraphs 126 and 127.

Status: Point in time view as at 24/11/2005.

Changes to legislation: Finance Act 1991 is up to date with all changes known to be in force on or before 08 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

These repeals have effect in accordance with section 10 of this Act.

PART V

INCOME TAX AND CORPORATION TAX

Chapter	Short title	Extent of repeal
1970 c. 9.	The Taxes Management Act 1970.	Section 78(4). Section 86(2A).
1985 c. 54.	The Finance Act 1985.	In section 68(7A), the word “and” at the end of paragraph (f).
1988 c. 1.	The Income and Corporation Taxes Act 1988.	In section 76(1)(d), the words “general annuity business”. In section 114(3), paragraph (c) and the word “and” immediately preceding it. In section 243, in subsection (1), the words “or 394” and subsections (5) and (6)(b). Section 339A. In section 343, in subsection (3), the words from the beginning to “subsection (6) below; and”, subsection (6) and, in subsection (7), the words from “then no relief” to “subject to that”. Section 349(3)(e). Section 354(3). In section 367(1), the definition of the expression “large caravan”. In section 393, subsections (2) to (6) and, in subsection (11), the words from “and a claim under subsection (2)” onwards. Section 394. Section 432A(2)(b) and (d).

Status: Point in time view as at 24/11/2005.

Changes to legislation: Finance Act 1991 is up to date with all changes known to be in force on or before 08 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

In section 436, in subsection (1), the words “general annuity business or””, in subsection (3), in paragraph (c), the words “or general annuity business”” and, in paragraph (e), the words “general annuity business or””, and in subsection (4), the words “general annuity business or””.

Section 437(2) to (5).

In section 446, in subsection (1), the words “and general annuity business”” and subsections (2) and (3).

In section 447, subsection (3) and, in subsection (4), the words “or 446””.

Section 448(3)(a).

In section 465(3) the words “and (c)””.

In section 474(1)(b), the words “and general annuity business””.

Section 518(6).

In section 590, subsections (5) and (6).

Section 726.

In section 737, in subsection (2), the words “otherwise than by virtue of section 476(5)(a)””, and subsection (4).

Section 738(2).

In section 843(4), the words “394””.

In Schedule 5, in paragraph 2(3)(a), the word “or”” immediately following the words “section 380””.

In Schedule 7, paragraphs 3(2) and (3) and 6.

Status: Point in time view as at 24/11/2005.

Changes to legislation: Finance Act 1991 is up to date with all changes known to be in force on or before 08 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

		In Schedule 15, paragraph 3(1)(c) and the word “and” immediately preceding it.
		In Schedule 28, paragraph 3(4)(a).
		In Schedule 29, in the Table in paragraph 32, the entry relating to section 78(4) of the Taxes Management Act 1970.
		In Schedule 30, in paragraph 2(2)(a), the word “or” where first occurring and, in paragraph 3(1)(b), the word “or”.
1988 c. 39.	The Finance Act 1988.	In Schedule 8, in paragraph 1(3), the word “and” at the end of paragraph (g).
1989 c. 26.	The Finance Act 1989.	Section 62(2). Section 63. Section 87(3).
1990 c. 1.	The Capital Allowances Act 1990.	In section 2(1), the word “and” at the end of paragraph (a). In section 3(3), the words “(as defined in section 8(1))”.
		In section 26(1), the word “and” at the end of paragraph (e).
1990 c. 29.	The Finance Act 1990.	In Schedule 1, paragraph 8(16). Section 25(2)(h). In section 27, subsections (1) and (3). Section 61. In Schedule 6, paragraph 6. In Schedule 7, paragraph 8. In Schedule 14, paragraph 7.

1 The repeal of section 78(4) of the Taxes Management Act 1970 and the repeal in Schedule 29 to the Income and Corporation Taxes Act 1988 have effect in accordance with section 81 of this Act.

Status: Point in time view as at 24/11/2005.

Changes to legislation: Finance Act 1991 is up to date with all changes known to be in force on or before 08 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- 2 The repeal in section 86 of the Taxes Management Act 1970 has effect in accordance with paragraph 1(2) of Schedule 15 to this Act.
- 3 The repeals in sections 76, 432A, 436, 437, 446, 447, 448 and 474 of, and Schedule 28 to, the Income and Corporation Taxes Act 1988 and in Schedules 6 and 7 to the Finance Act 1990 have effect for accounting periods beginning on or after 1st January 1992.
- 4 The following repeals have effect in relation to losses incurred in accounting periods ending on or after 1st April 1991—
- (a) the repeals in sections 114, 243, 343, 393, 518 and 843 of, the repeals in Schedules 5 and 30 to, and the repeal of section 394 of, the Income and Corporation Taxes Act 1988;
 - (b) the repeal in Schedule 1 to the Capital Allowances Act 1990;
 - (c) the repeal of section 61 of, and the repeal in Schedule 14 to, the Finance Act 1990.
- 5 The repeals of section 339A of the Income and Corporation Taxes Act 1988 and section 27(1) and (3) of the Finance Act 1990 have effect in relation to accounting periods beginning on or after 19th March 1991.
- 6 The following repeals have effect for the year 1991-92 and subsequent years of assessment—
- (a) the repeals of sections 354(3) and 726 of the Income and Corporation Taxes Act 1988;
 - (b) the repeals in sections 367(1) and 737(2) of, and in Schedule 7 to, that Act;
 - (c) the repeal of section 63 of the Finance Act 1989.
- 7 The repeals in section 465 of, and Schedule 15 to, the Income and Corporation Taxes Act 1988 apply in relation to policies issued in pursuance of contracts made on or after the day on which this Act is passed.
- 8 The repeal of section 590(5) and (6) of the Income and Corporation Taxes Act 1988 has effect in accordance with section 36 of this Act.
- 9 The repeals of sections 737(4) and 738(2) of the Income and Corporation Taxes Act 1988 have effect in accordance with section 58 of this Act.
- 10 The repeal of section 62(2) of the Finance Act 1989 has effect in accordance with section 40 of this Act.
- 11 The repeals in sections 2(1), 3(3) and 26(1) of the Capital Allowances Act 1990 have effect in relation to any chargeable period or its basis period ending on or after 6th April 1990.
- 12 The repeal of section 25(2)(h) of the Finance Act 1990 has effect in relation to gifts made on or after 19th March 1991.

PART VI

CAPITAL GAINS

Chapter	Short title	Extent of repeal
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Status: Point in time view as at 24/11/2005.

Changes to legislation: Finance Act 1991 is up to date with all changes known to be in force on or before 08 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

1970 c. 10.	The Income and Corporation Taxes Act 1970.	In section 342, the words “or Housing for Wales”, in each place where they occur. In section 342A, the words “or Housing for Wales”, in each place where they occur.
1979 c. 14.	The Capital Gains Tax Act 1979.	Section 126C.
1980 c. 48.	The Finance Act 1980.	Section 80(2).
1981 c. 35.	The Finance Act 1981.	Section 88(2) to (6).
1984 c. 43.	The Finance Act 1984.	Section 63(3). In section 64(2)(b), the words from “as defined” to “1973”.
1986 c. 41.	The Finance Act 1986.	Section 58(5).
1988 c. 39.	The Finance Act 1988.	In Schedule 9, in paragraph 3(2)(e), the words from “(postponement” to “asset”.
1988 c. 50.	The Housing Act 1988.	In Schedule 17, in Part II, paragraph 93.
1989 c. 26.	The Finance Act 1989.	In Schedule 14, in paragraph 6(5)(c), the words “and (5)”.
1990 c. 29.	The Finance Act 1990.	Section 70(5).
1	The repeals in sections 342 and 342A of the Income and Corporation Taxes Act 1970 and Schedule 17 to the Housing Act 1988 are deemed to have come into force on 1st December 1988.	
2	The repeals of section 80(2) of the Finance Act 1980 and section 63(3) of the Finance Act 1984 have effect in relation to disposals on or after 19th March 1991.	
3	The repeal in section 64 of the Finance Act 1984 has effect in accordance with section 98 of this Act.	
4	The remaining repeals (other than the repeal in Schedule 9 to the Finance Act 1988) have effect in accordance with section 92 of this Act.	

PART VII

STAMP DUTY

Chapter	Short title	Extent of repeal
9 Geo. 4 c. 80.	The Bankers’ Composition (Ireland) Act 1828.	The whole Act.
54 & 55 Vict. c. 39.	The Stamp Act 1891.	Sections 29, 30 and 31.

Status: Point in time view as at 24/11/2005.

Changes to legislation: Finance Act 1991 is up to date with all changes known to be in force on or before 08 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

		In Schedule 1 the heading “bank note””.
1952 c. 13 (N.I.).	The Finance Act (Northern Ireland) 1952.	Sections 4 and 5.
1970 c. 21 (N.I.).	The Finance Act (Northern Ireland) 1970.	Section 7.
		In Schedule 2, paragraphs 5 and 18.
1972 c. 41.	The Finance Act 1972.	Section 134(5).

These repeals have effect in accordance with section 115 of this Act.

PART VIII

TRADING FUNDS

Chapter	Short title	Extent of repeal
1973 c. 63.	The Government Trading Funds Act 1973.	In section 2(1)(b) and (2), the words “at values or amounts determined by him in accordance with Treasury directions””.

Status:

Point in time view as at 24/11/2005.

Changes to legislation:

Finance Act 1991 is up to date with all changes known to be in force on or before 08 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.