Finance Act 1994 (c. 9)
SCHEDULE 7A – INSURANCE PREMIUM TAX: CONTRACTS THAT ARE NOT TAXABLE
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Changes to legislation: Finance Act 1994, Paragraph 13 is up to date with all changes known to be in force on or before 30 July 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) View outstanding changes

S C H E D U L E S

[F1SCHEDULE 7A

INSURANCE PREMIUM TAX: CONTRACTS THAT ARE NOT TAXABLE

Textual Amendments

F1   Sch. 7A inserted (1.10.1994) by S.I. 1994/1698, **art. 5**

PART I

DESCRIPTIONS OF CONTRACT]

Contracts relating to credit

13   (1) A contract falls within this paragraph if it relates only to credit granted in relation to goods or services supplied under a relevant contract by a person carrying on business in the United Kingdom.

(2) For the purposes of this paragraph a relevant contract is—

(a)   a contract to make a relevant supply of goods, or a supply of services, or both, to an overseas customer;

(b)   a contract to supply goods to a person who is to—

(i) export those goods; or

(ii) incorporate those goods in other goods which he is to export,

where the condition mentioned in sub-paragraph (3) below is satisfied;

(c)   a contract to supply to a person who is to export goods services consisting of the valuation or testing of, or other work carried out on, those goods where the condition mentioned in sub-paragraph (3) below is satisfied;

(d)   a contract to supply services to a person in order that he may comply with a legally binding obligation to make a supply of services to an overseas customer.

(3) The condition referred to in sub-paragraph (2)(b) and (c) above is that the goods to be exported are to be exported in order that the person exporting them may comply with a legally binding obligation to make a relevant supply of goods to an overseas customer.

(4) For the purposes of this paragraph—

(a)   "export" means export from the United Kingdom and cognate expressions shall be construed accordingly; and

(b)   any reference to a person who is to export goods shall be taken as including a reference to a person at whose direction the insured is to export them and

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the reference in sub-paragraph (3) above to the person exporting goods shall be construed accordingly.

(5) Where a contract relates to—

    (a)   credit of the description in sub-paragraph (1) above; and

    (b)   loss resulting from the insured or any third party being required to pay the amount of any bond or guarantee against non-performance by the insured of the contract which involves him making the supply,

the contract shall be treated for the purposes of sub-paragraph (1) above as if it did not relate to loss of the description in paragraph (b) above.

Changes to legislation:
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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:
Whole provisions yet to be inserted into this Act (including any effects on those provisions):

– s. 16A(2)(g) inserted by 2023 c. 30 Sch. 13 para. 28
– s. 160(2)-(7) modified by 2010 c. 8 s. 464(6) (as inserted) by 2017 c. 32 Sch. 5 para. 1
– Sch. 5 para. 2(1)(pa) inserted by S.I. 2022/109 reg. 4 (This amendment not applied to legislation.gov.uk. The affecting statutory instrument has no legal effect. It was made under a procedure which meant that it ceased to have effect 28 days after signing unless it was debated and approved in Parliament within that time. It was not debated and approved within 28 days, so it has expired with no effect.)