

SCHEDULES

SCHEDULE 20

Section 99

CLIMATE CHANGE LEVY: EXEMPTIONS FOR MINERALOGICAL AND METALLURGICAL PROCESSES ETC

PART 1

THE EXEMPTIONS

- 1 Schedule 6 to FA 2000 (climate change levy) is amended as follows.
- 2 After paragraph 12 insert—

“Exemption: mineralogical and metallurgical processes

- 12A (1) A supply of a taxable commodity to a person is exempt from the levy if the commodity is to be used by the person in a mineralogical or metallurgical process.
- (2) “Mineralogical process” has the same meaning as in Article 2(4)(b) of Council Directive [2003/96/EC](#) of 27 October 2003 (which relates to the taxation of energy products and electricity).
- (3) “Metallurgical process” means a process of any of the following descriptions.
- (4) The descriptions are—
- (a) a process falling within Division 24 of NACE Rev 2, excluding Class 24.46;
 - (b) a process falling within Group 25.5 of NACE Rev 2;
 - (c) a process falling within Class 25.61 of NACE Rev 2 which is—
 - (i) plating, anodising etc of metals;
 - (ii) heat treatment of metals;
 - (iii) deburring, sandblasting, tumbling and cleaning of metals where carried out in conjunction with a process mentioned in paragraph (a) or (b).

In this sub-paragraph “NACE Rev 2” is as set out in Annex I to Regulation [\(EC\) No 1893/2006](#) of the European Parliament and of the Council of 20 December 2006 (relating to the statistical classification of economic activities).”

- 3 (1) Paragraph 42 (amount payable by way of levy) is amended as follows.
- (2) In sub-paragraph (1)—
- (a) in paragraph (a) omit “or a supply for use in scrap metal recycling”,
 - (b) omit paragraph (d), and

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- (c) in the Table, in the heading for column 2, omit “*or a supply for use in scrap metal recycling*”.
- (3) Omit sub-paragraph (1ZA).
- 4 Omit paragraph 43A (supplies for use in scrap metal recycling) and the cross-heading before it.
- 5 In paragraph 43B (supplies for use in scrap metal recycling etc: deemed supply) in sub-paragraph (1)(b) omit sub-paragraph (i).
- 6 In paragraph 62 (tax credits) in sub-paragraph (1) omit paragraphs (ca) and (cb).
- 7 In paragraph 101 (civil penalties: incorrect certificates) in sub-paragraph (2)(a)—
- (a) in sub-paragraph (ii) after “12,” insert “12A,”
- (b) after sub-paragraph (ii) insert “or”, and
- (c) omit sub-paragraph (iiia) and the “or” after it.
- 8 (1) The Climate Change Levy (General) Regulations 2001 ([S.I. 2001/838](#)) are amended as follows.
- (2) In regulation 2 (general interpretation) in paragraph (1) omit “, recycling lower-rate part”, “a recycling lower-rate supply or” and the definition of “recycling lower-rate supply”.
- (3) In regulation 8 (records which a registrable person is obliged to keep) in paragraph (c) (ii) omit “recycling lower-rate supply or a”.
- (4) In regulation 11 (other tax credits: entitlement) in paragraph (1)—
- (a) in sub-paragraph (c) omit “a recycling lower-rate supply or” (in both places), and
- (b) omit sub-paragraph (ca).
- (5) In regulation 12 (tax credits: general) in paragraph (1) omit “, recycling lower-rate supplies”.
- (6) In regulation 33 (special rules for certain supplies)—
- (a) in the heading omit “, **recycling lower-rate supplies**”, and
- (b) in the text omit “, recycling lower-rate supplies”.
- (7) In the title of Part 3 omit “, RECYCLING LOWER-RATE”.
- (8) In regulation 34 (supplier certificates) in paragraph (1)(a) after “12 (transport),” insert “12A (mineralogical and metallurgical processes),”.
- (9) In regulation 35 (supplier certificates)—
- (a) in paragraph (1) omit “a recycling lower-rate or”,
- (b) in paragraph (2)(a) omit paragraph (ii) and the “or” before it, and
- (c) in paragraph (3) omit “or is for use in scrap metal recycling”.
- (10) Schedule 1 (certification etc) is amended as follows.
- (11) In the title omit “, RECYCLING LOWER-RATE”.
- (12) In paragraph 2—
- (a) in the formula omit “+0.8L”,
- (b) in the definition of “M”, after paragraph (b) insert—

- “(ba) paragraph 12A—mineralogical and metallurgical processes;”, and
- (c) omit the definition of “0.8L”.
- (13) In paragraph 3(1) omit “recycling lower-rate and”.
- (14) In paragraph 5(7) omit “Supplies for use in scrap metal recycling and”.
- (15) In paragraph 6(1)—
- (a) in paragraph (c) omit “a recycling lower-rate supply or” (in both places), and
- (b) omit paragraph (ca).
- (16) The amendments made by sub-paragraphs (8) and (12)(b) are to be treated as having been made by the Commissioners for Her Majesty’s Revenue and Customs in exercise of the power conferred by paragraph 22 of Schedule 6 to FA 2000 (regulations giving effect to exemptions).
- 9 (1) Schedule 1 to the Climate Change Levy (Fuel Use and Recycling Processes) Regulations 2005 (S.I. 2005/1715) is amended as follows.
- (2) In paragraph 1 omit “Aluminium” and “Copper”.
- (3) In paragraph 2 for the words from “Gold” to “platinum group metal alloys and” substitute “The electrolytic dissolution of”.
- (4) Omit paragraphs 18 to 24, 26, 27, 28, 32, 34, 36 and 37.
- (5) The amendments made by this paragraph are to be treated as having been made by the Treasury in exercise of the power conferred by paragraph 18(2) of Schedule 6 to FA 2000 (exemption for supply not used as fuel).
- 10 (1) The amendments made by this Part are treated as having come into force on 1 April 2014 and have effect as follows.
- (2) In relation to supplies of gas or electricity, they have effect in relation to gas or electricity actually supplied on or after 1 April 2014.
- (3) In relation to any other supplies, they have effect in relation to supplies treated as taking place on or after 1 April 2014.

PART 2

OTHER PROVISION

- 11 Schedule 6 to FA 2000 (climate change levy) is amended as follows.
- 12 In paragraph 12A (as inserted by paragraph 2 above) after sub-paragraph (4) insert—
- “(5) The Treasury may by regulations amend this paragraph so as to amend the definition of “mineralogical process”.
- (6) The Treasury may by regulations amend sub-paragraph (4) so as to add, remove or modify a description.”
- 13 In paragraph 13A (power to make provision amending paragraph 13) in sub-paragraph (3) omit “Parliament”.

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- 14 (1) Paragraph 146 (regulations and orders) is amended as follows.
- (2) In sub-paragraphs (2)(b) and (3) omit “Parliament”.
- (3) After sub-paragraph (3) insert—
- “(3A) A statutory instrument that contains (whether alone or with other provision) regulations under paragraph 12A(5) that remove a process (in whole or in part) from the scope of the definition of “mineralogical process” shall not be made unless a draft of the statutory instrument containing the regulations has been laid before and approved by a resolution of the House of Commons.
- (3B) A statutory instrument that contains (whether alone or with other provision) regulations under paragraph 12A(6) that—
- (a) remove a description, or
- (b) modify a description so as to narrow its scope,
- shall not be made unless a draft of the statutory instrument containing the regulations has been laid before and approved by a resolution of the House of Commons.”