



Finance Act 2015

2015 CHAPTER 11

PART 2

EXCISE DUTIES AND OTHER TAXES

Petroleum revenue tax

52 Reduction in rate of petroleum revenue tax

- (1) OTA 1975 is amended as follows.
- (2) In section 1(2) (rate of petroleum revenue tax) for “50” substitute “ 35 ”.
- (3) In paragraph 17(5)(b) of Schedule 2 (relevant percentage in relation to the amount of loss which is treated as reducing assessable profit) after “60 per cent” insert “ if that later repayment period ends on or before 31 December 2015, and 45 per cent if it ends after 31 December 2015 ”.
- (4) The amendment made by subsection (2) has effect with respect to chargeable periods ending after 31 December 2015.

Alcohol

53 Rates of alcoholic liquor duties

- (1) ALDA 1979 is amended as follows.
- (2) In section 5 (rate of duty on spirits), for “£28.22” substitute “ £27.66 ”.
- (3) In section 36(1AA) (rates of general beer duty)—
 - (a) in paragraph (za) (rate of duty on lower strength beer), for “£8.62” substitute “ £8.10 ”, and
 - (b) in paragraph (a) (standard rate of duty on beer), for “£18.74” substitute “ £18.37 ”.

Status: Point in time view as at 06/04/2024.

*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 2015, PART 2. (See end of Document for details)*

- (4) In section 37(4) (rate of high strength beer duty), for “£5.29” substitute “ £5.48 ”.
- (5) In section 62(1A) (rates of duty on cider)—
- (a) in paragraph (b) (cider of strength exceeding 7.5% which is not sparkling cider) for “£59.52” substitute “ £58.75 ”, and
 - (b) in paragraph (c) (other cider), for “£39.66” substitute “ £38.87 ”.
- (6) For Part 2 of the table in Schedule 1 substitute—

“PART 2

WINE OR MADE-WINE OF A STRENGTH EXCEEDING 22 PER CENT

<i>Description of wine or made-wine</i>	<i>Rates of duty per litre of alcohol in wine or made-wine £</i>
Wine or made-wine of a strength exceeding 22 per cent	27.66”.

- (7) The amendments made by this section are treated as having come into force on 23 March 2015.

54 Wholesaling of controlled liquor

- (1) ALDA 1979 is amended as set out in subsections (2) to (5).
- (2) In section 4 (interpretation)—
- (a) in subsection (1), in the definition of “wholesale”, after “ “wholesale”” insert “ (except in Part 6A) ”,
 - (b) in the Table in subsection (3), at the appropriate place insert—
-
- “excise duty point”, and
-
- (c) in subsection (4), after “Act” insert “ (except in Part 6A) ”.
- (3) After Part 6 insert—

“PART 6A

WHOLESALING OF CONTROLLED LIQUOR

88A Definitions

- (1) This section defines certain expressions used in this Part.
- (2) A sale is of “controlled liquor” if—
- (a) it is a sale of dutiable alcoholic liquor on which duty is charged under this Act at a rate greater than nil, and
 - (b) the excise duty point for the liquor falls at or before the time of the sale.

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- (3) Controlled liquor is sold “wholesale” if—
- (a) the sale is of any quantity of the liquor,
 - (b) the seller is carrying on a trade or business and the sale is made in the course of that trade or business,
 - (c) the sale is to a buyer carrying on a trade or business, for sale or supply in the course of that trade or business, and
 - (d) the sale is not an incidental sale, a group sale or an excluded sale,
- and a reference to buying controlled liquor wholesale is to be read accordingly.
- (4) A sale is an “incidental sale” if—
- (a) the seller makes authorised retail sales of alcoholic liquor of any description, and
 - (b) the sale is incidental to those sales.
- (5) A sale is an “authorised retail sale” if it is made by retail under and in accordance with a licence or other authorisation under an enactment regulating the sale and supply of alcohol.
- (6) A sale is a “group sale” if the seller and the buyer are both bodies corporate which are members of the same group (see section 88J).
- (7) A sale is an “excluded sale” if it is of a description prescribed by or under regulations made by the Commissioners.
- (8) “Controlled activity” means—
- (a) selling controlled liquor wholesale,
 - (b) offering or exposing controlled liquor for sale in circumstances in which the sale (if made) would be a wholesale sale, or
 - (c) arranging in the course of a trade or business for controlled liquor to be sold wholesale, or offered or exposed for sale in circumstances in which the sale (if made) would be a wholesale sale.
- (9) “UK person” means a person who is UK-established for the purposes of value added tax (see paragraph 1(10) of Schedule 1 to the Value Added Tax Act 1994).
- (10) “Enactment” includes an enactment contained in—
- (a) an Act of the Scottish Parliament;
 - (b) an Act or Measure of the National Assembly for Wales;
 - (c) Northern Ireland legislation.

88B Further provision relating to definitions

- (1) The Commissioners may by regulations make provision as to the cases in which sales are, or are not, to be treated for the purposes of this Part as—
- (a) wholesale sales,
 - (b) sales of controlled liquor,
 - (c) incidental sales,
 - (d) authorised retail sales, or
 - (e) group sales.

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- (2) The Commissioners may by regulations make provision as to the cases in which a person is, or is not, to be treated for the purposes of this Part as carrying on a controlled activity by virtue of section 88A(8)(b) or (c) (offering and exposing for sale and arranging for sale etc).

88C Approval to carry on controlled activity

- (1) A UK person may not carry on a controlled activity otherwise than in accordance with an approval given by the Commissioners under this section.
- (2) The Commissioners may approve a person under this section to carry on a controlled activity only if they are satisfied that the person is a fit and proper person to carry on the activity.
- (3) The Commissioners may approve a person under this section to carry on a controlled activity for such periods and subject to such conditions or restrictions as they may think fit or as they may by or under regulations made by them prescribe.
- (4) The conditions or restrictions may include conditions or restrictions requiring the controlled activity to be carried on only at or from premises specified or approved by the Commissioners.
- (5) The Commissioners may at any time for reasonable cause revoke or vary the terms of an approval under this section.
- (6) In this Part “approved person” means a person approved under this section to carry on a controlled activity.

88D The register of approved persons

- (1) The Commissioners must maintain a register of approved persons.
- (2) The register is to contain such information relating to approved persons as the Commissioners consider appropriate.
- (3) The Commissioners may make publicly available such information contained in the register as they consider necessary to enable those who deal with a person who carries on a controlled activity to determine whether the person in question is an approved person in relation to that activity.
- (4) The information may be made available by such means (including on the internet) as the Commissioners consider appropriate.

88E Regulations relating to approval, registration and controlled activities

- (1) The Commissioners may by regulations make provision—
- (a) regulating the approval and registration of persons under this Part,
 - (b) regulating 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,
 - (c) about the register maintained under section 88D,
 - (d) regulating the carrying on of controlled activities, and

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- (e) imposing obligations on approved persons.
- (2) The regulations may, in particular, make provision—
- (a) requiring applications, and other communications with the Commissioners, to be made electronically,
 - (b) as to the procedure for the approval and registration of bodies corporate which are members of the same group and for members of such a group to be jointly and severally liable for any penalties imposed under—
 - (i) the regulations, or
 - (ii) Schedule 2B,
 - (c) requiring approved persons to keep and make available for inspection such records relating to controlled activities as may be prescribed by or under the regulations,
 - (d) imposing a penalty of an amount prescribed by the regulations (which must not exceed £1,000) for a contravention of—
 - (i) the regulations, or
 - (ii) any condition or restriction imposed under this Part,
 - (e) for the assessment and recovery of such a penalty, and
 - (f) for dutiable alcoholic liquor (whether or not charged with any duty and whether or not that duty has been paid) to be subject to forfeiture for a contravention of—
 - (i) this Part or the regulations, or
 - (ii) any condition or restriction imposed under this Part.

88F Restriction on buying controlled liquor wholesale

A person may not buy controlled liquor wholesale from a UK person unless the UK person is an approved person in relation to the sale.

88G Offences

- (1) A person who contravenes section 88C(1) by selling controlled liquor wholesale is guilty of an offence if the person knows or has reasonable grounds to suspect that—
 - (a) the buyer is carrying on a trade or business, and
 - (b) the liquor is for sale or supply in the course of that trade or business.
- (2) A person who contravenes section 88C(1) by offering or exposing controlled liquor for sale in circumstances in which the sale (if made) would be a wholesale sale is guilty of an offence if the person intends to make a wholesale sale of the liquor.
- (3) A person who contravenes section 88C(1) by arranging in the course of a trade or business for controlled liquor to be sold wholesale, or offered or exposed for sale in circumstances in which the sale (if made) would be a wholesale sale, is guilty of an offence if the person intends to arrange for the liquor to be sold wholesale.

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- (4) A person who contravenes section 88F is guilty of an offence if the person knows or has reasonable grounds to suspect that the UK person from whom the controlled liquor is bought is not an approved person in relation to the sale.
- (5) A person guilty of an offence under this section is liable on summary conviction—
- (a) in England and Wales to—
 - (i) imprisonment for a term not exceeding 12 months,
 - (ii) a fine, or
 - (iii) both,
 - (b) in Scotland to—
 - (i) imprisonment for a term not exceeding 12 months,
 - (ii) a fine not exceeding the statutory maximum, or
 - (iii) both, and
 - (c) in Northern Ireland to—
 - (i) imprisonment for a term not exceeding 6 months,
 - (ii) a fine not exceeding the statutory maximum, or
 - (iii) both.
- (6) A person guilty of an offence under this section is liable on conviction on indictment to—
- (a) imprisonment for a period not exceeding 7 years,
 - (b) a fine, or
 - (c) both.
- (7) The reference in subsection (5)(a)(i) to 12 months is to be read as a reference to 6 months in relation to an offence committed before the commencement of section 154(1) of the Criminal Justice Act 2003.

88H Penalties

Schedule 2B contains provision about penalties for contraventions of this Part.

88I Regulations

Regulations under this Part—

- (a) may make provision which applies generally or only for specified cases or purposes,
- (b) may make different provision for different cases or purposes,
- (c) may include incidental, consequential, transitional or transitory provision, and
- (d) may confer a discretion on the Commissioners.

88J Groups

- (1) Two or more bodies corporate are members of a group for the purposes of this Part if each is established or has a fixed establishment in the United Kingdom and—
- (a) one of them controls each of the others,

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- (b) one person (whether a body corporate or an individual) controls all of them, or
 - (c) two or more individuals carrying on a business in partnership control all of them.
- (2) For the purposes of this section, a body corporate is to be taken to control another body corporate if—
- (a) it is empowered by or under an enactment to control that body's activities, or
 - (b) it is that body's holding company within the meaning of section 1159 of, and Schedule 6 to, the Companies Act 2006.
- (3) For the purposes of this section—
- (a) an individual or individuals are to be taken to control a body corporate if the individual or individuals (were the individual or individuals a company) would be that body's holding company within the meaning of section 1159 of, and Schedule 6 to, the Companies Act 2006, and
 - (b) a body corporate is established or has a fixed establishment in the United Kingdom if it is so established or has such an establishment for the purposes of value added tax.

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This Table lists the places where some of the expressions used in this Part are defined or otherwise explained.

- (4) In section 90 (procedure for regulations)—
- (a) after subsection (1) insert—

“(1A) A statutory instrument containing regulations under Part 6A is subject to annulment in pursuance of a resolution of the House of Commons.”, and
 - (b) in subsection (2), after “containing” insert “ any other ”.
- (5) After Schedule 2A insert—

“SCHEDULE 2B

Section 88H

PENALTIES FOR CONTRAVENTIONS OF PART 6A

Liability to penalty

- 1 A penalty is payable by a person (“P”) who contravenes section 88C(1) or 88F.

Amount of penalty

- 2 (1) If the contravention is deliberate and concealed, the amount of the penalty is the maximum amount (see paragraph 10).
- (2) If the contravention is deliberate but not concealed, the amount of the penalty is 70% of the maximum amount.
- (3) In any other case, the amount of the penalty is 30% of the maximum amount.

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- (4) The contravention is—
- (a) “deliberate and concealed” if the contravention is deliberate and P makes arrangements to conceal the contravention, and
 - (b) “deliberate but not concealed” if the contravention is deliberate but P does not make arrangements to conceal the contravention.

Reductions for disclosure

- 3 (1) Paragraph 4 provides for reductions in penalties under this Schedule where P discloses a contravention.
- (2) P discloses a contravention by—
- (a) telling the Commissioners about it,
 - (b) giving the Commissioners reasonable help in identifying any other contraventions of section 88C(1) or 88F of which P is aware, and
 - (c) allowing the Commissioners access to records for the purpose of identifying such contraventions.
- (3) Disclosure of a contravention—
- (a) is “unprompted” if made at a time when P has no reason to believe that the Commissioners have discovered or are about to discover the contravention, and
 - (b) otherwise, is “prompted”.
- (4) In relation to disclosure “quality” includes timing, nature and extent.
- 4 (1) Where P discloses a contravention, the Commissioners must reduce the penalty to one that reflects the quality of the disclosure.
- (2) If the disclosure is prompted, the penalty may not be reduced below—
- (a) in the case of a contravention that is deliberate and concealed, 50% of the maximum amount,
 - (b) in the case of a contravention that is deliberate but not concealed, 35% of the maximum amount, and
 - (c) in any other case, 20% of the maximum amount.
- (3) If the disclosure is unprompted, the penalty may not be reduced below—
- (a) in the case of a contravention that is deliberate and concealed, 30% of the maximum amount,
 - (b) in the case of a contravention that is deliberate but not concealed, 20% of the maximum amount, and
 - (c) in any other case, 10% of the maximum amount.

Special reduction

- 5 (1) If the Commissioners think it right because of special circumstances, they may reduce a penalty under this Schedule.
- (2) In sub-paragraph (1) “special circumstances” does not include ability to pay.
- (3) In sub-paragraph (1) the reference to reducing a penalty includes a reference to—
- (a) staying a penalty, and

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- (b) agreeing a compromise in relation to proceedings for a penalty.

Assessment

- 6 (1) Where P becomes liable for a penalty under this Schedule, the Commissioners must—
 - (a) assess the penalty,
 - (b) notify P, and
 - (c) state in the notice the contravention in respect of which the penalty is assessed.
- (2) A penalty under this Schedule must be paid before the end of the period of 30 days beginning with the day on which notification of the penalty is issued.
- (3) An assessment is to be treated as an amount of duty due from P under this Act and may be recovered accordingly.
- (4) An assessment of a penalty under this Schedule may not be made later than one year after evidence of facts sufficient in the opinion of the Commissioners to indicate the contravention comes to their knowledge.
- (5) Two or more contraventions may be treated by the Commissioners as a single contravention for the purposes of assessing a penalty under this Schedule.

Reasonable excuse

- 7 (1) Liability to a penalty does not arise under this Schedule in respect of a contravention which is not deliberate if P satisfies the Commissioners or (on an appeal made to the appeal tribunal) the tribunal that there is a reasonable excuse for the contravention.
- (2) For the purposes of sub-paragraph (1), where P relies on any other person to do anything, that is not a reasonable excuse unless P took reasonable care to avoid the contravention.

Companies: officer's liability

- 8 (1) Where a penalty under this Schedule is payable by a company in respect of a contravention which was attributable to an officer of the company, the officer is liable to pay such portion of the penalty (which may be 100%) as the Commissioners may specify by written notice to the officer.
- (2) Sub-paragraph (1) does not allow the Commissioners to recover more than 100% of a penalty.
- (3) In the application of sub-paragraph (1) to a body corporate other than a limited liability partnership, “officer” means—
 - (a) a director (including a shadow director within the meaning of section 251 of the Companies Act 2006),
 - (b) a manager, and
 - (c) a secretary.
- (4) In the application of sub-paragraph (1) to a limited liability partnership, “officer” means a member.

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- (5) In the application of sub-paragraph (1) in any other case, “officer” means—
- (a) a director,
 - (b) a manager,
 - (c) a secretary, and
 - (d) any other person managing or purporting to manage any of the company's affairs.
- (6) Where the Commissioners have specified a portion of a penalty in a notice given to an officer under sub-paragraph (1)—
- (a) paragraph 5 applies to the specified portion as to a penalty,
 - (b) the officer must pay the specified portion before the end of the period of 30 days beginning with the day on which the notice is given,
 - (c) sub-paragraphs (3) to (5) of paragraph 6 apply as if the notice were an assessment of a penalty, and
 - (d) paragraph 9 applies as if the officer were liable to a penalty.
- (7) In this paragraph “company” means any body corporate or unincorporated association, but does not include a partnership.

Double jeopardy

- 9 P is not liable to a penalty under this Schedule in respect of a contravention in respect of which P has been convicted of an offence.

The maximum amount

- 10 (1) In this Schedule “the maximum amount” means £10,000.
- (2) If it appears to the Treasury that there has been a change in the value of money since the last relevant date, they may by regulations substitute for the sum for the time being specified in sub-paragraph (1) such other sum as appears to them to be justified by the change.
- (3) In sub-paragraph (2), “relevant date” means—
- (a) the date on which the Finance Act 2015 is passed, and
 - (b) each date on which the power conferred by that sub-paragraph has been exercised.
- (4) Regulations under this paragraph do not apply to any contravention which occurred before the date on which they come into force.

Appeal tribunal

- 11 In this Schedule “appeal tribunal” has the same meaning as in Chapter 2 of Part 1 of the Finance Act 1994.”
- (6) In section 13A(2) of FA 1994 (meaning of “relevant decision”), after paragraph (e) insert—
- “(ea) any decision by HMRC that a person is liable to a penalty, or as to the amount of the person's liability, under—
 - (i) regulations under section 88E of the Alcoholic Liquor Duties Act 1979; or

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(ii) Schedule 2B to that Act;”.

(7) In Schedule 5 to that Act (decisions subject to review and appeal), in paragraph 3(1), after paragraph (o) insert—

“(p) any decision for the purposes of Part 6A (wholesaling of controlled liquor) as to whether or not, and in which respects, any person is to be, or to continue to be, approved and registered or as to the conditions or restrictions subject to which any person is approved and registered.”.

(8) Subject as follows, the amendments made by this section come into force on the day on which this Act is passed.

(9) So far as relating to section 88C(1) of ALDA 1979, subsection (3) comes into force on 1 January 2016 (but see subsection (12) for the application of section 88C(1) in cases where an application has been made but not disposed of by that date).

(10) So far as relating to section 88F of ALDA 1979, subsection (3) comes into force on such day as the Treasury may by regulations made by statutory instrument appoint.

(11) An application for a person to be approved under section 88C of ALDA 1979 may not be made before 1 October 2015.

(12) Where such an application made before 1 January 2016 has not been disposed of by that date, section 88C(1) of ALDA 1979 does not apply in relation to the person until the application is disposed of.

(13) An application is “disposed of” when—

- (a) it is determined by Her Majesty's Revenue and Customs,
- (b) it is withdrawn, or
- (c) it is abandoned or otherwise ceases to have effect.

Commencement Information

II S. 54(3) in force at 1.4.2017 for specified purposes by [S.I. 2017/494](#), [reg. 2](#)

Tobacco

55 Rates of tobacco products duty

(1) For the table in Schedule 1 to TPDA 1979 substitute—

“1. Cigarettes	An amount equal to 16.5 per cent of the retail price plus £189.49 per thousand cigarettes
2. Cigars	£236.37 per kilogram
3. Hand-rolling tobacco	£185.74 per kilogram
4. Other smoking tobacco and chewing tobacco	£103.91 per kilogram”.

(2) The amendment made by this section is treated as having come into force at 6 pm on 18 March 2015.

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56 Excise duty on tobacco: anti-forestalling restrictions

After section 6 of TPDA 1979 (alteration of rates of duty) insert—

“6A Anti-forestalling notices in connection with anticipated alteration of rate of duty

- (1) If the Commissioners consider that an alteration to a rate of duty charged under section 2 on tobacco products may be made (whether under section 6 or otherwise), they may publish a notice under this section (an “anti-forestalling notice”).
- (2) An anti-forestalling notice—
 - (a) must specify a period of up to 3 months (“the controlled period”),
 - (b) may impose such restrictions (“anti-forestalling restrictions”), as to the quantities of the tobacco products that may during the controlled period be removed for home use, as the Commissioners consider to be reasonable for the purpose of protecting the public revenue,
 - (c) may make provision for, and in connection with, the controlled period coming to an end early (including provision modifying an anti-forestalling restriction in such circumstances),
 - (d) may make provision for the removal of tobacco products for home use to be disregarded for the purposes of one or more anti-forestalling restrictions in certain circumstances, and
 - (e) may make different provision for different cases.
- (3) The anti-forestalling restrictions that may be imposed include, in particular—
 - (a) restrictions as to the total quantity of the tobacco products, or of the tobacco products of a particular description, that may, during the controlled period, be removed for home use, and
 - (b) restrictions as to the quantity of the tobacco products, or the tobacco products of a particular description, that may be removed for home use during any month, or any period of two weeks, in the controlled period.

This is subject to subsections (4) and (5).

- (4) An anti-forestalling notice may not restrict a person, during the controlled period, to removing for home use a total quantity of the tobacco products, or of the tobacco products of a particular description, that is less than 80% of—

$$\frac{\text{TPY}}{365} \times \text{DCP}$$

where—

TPY is the total quantity of the tobacco products, or (as the case may be) of the tobacco products of a particular description, removed for home use by the person in the period of 12 months ending with the third month before the month in which the controlled period begins, and

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DCP is the number of days in the controlled period.

- (5) An anti-forestalling notice may not restrict a person, in any month of the controlled period, to removing for home use less than 30% of the total quantity of the tobacco products, or of the tobacco products of a particular description, that could, under the anti-forestalling restrictions imposed by the notice, be removed for home use during the whole controlled period.
- (6) If, before the end of the controlled period, it appears to the Commissioners that the rate of duty—
 - (a) will not be altered during the controlled period, but
 - (b) may be altered within a month of the end of the controlled period,the Commissioners may publish an extension notice.
- (7) An extension notice may—
 - (a) extend the controlled period by up to one month, and
 - (b) in accordance with subsections (2) to (5), make such other modifications of the anti-forestalling notice as the Commissioners think appropriate in consequence of the extension.
- (8) The Commissioners may vary or revoke an anti-forestalling notice—
 - (a) as it applies generally, or
 - (b) if the Commissioners consider that exceptional circumstances justify doing so, in relation to a particular person.
- (9) This section does not affect the Commissioners' powers—
 - (a) under section 128 of the Customs and Excise Management Act 1979 (restriction of delivery of goods), or
 - (b) to make regulations under section 7 of this Act in relation to periods specified under that section of that Act.

6B Anti-forestalling notices: sanctions

- (1) This section applies if a person fails to comply with an anti-forestalling notice published under section 6A by, on one or more occasions, removing tobacco products for home use during the controlled period in contravention of an anti-forestalling restriction.
- (2) The failure to comply attracts a penalty under section 9 of the Finance Act 1994 (civil penalties) of an amount determined in accordance with subsection (3) (rather than that section).
- (3) The person is liable to a penalty of—
 - (a) if the person has given an admission notice, 150% of the lost duty, and
 - (b) otherwise, 200% of the lost duty.
- (4) An “admission notice” is a notice—
 - (a) in which the person admits that the person—
 - (i) has failed to comply with the anti-forestalling notice, and
 - (ii) is liable to a penalty determined in accordance with subsection (3), and

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- (b) that is in such form, and that provides such information, as the Commissioners may specify.
- (5) An admission notice cannot be given if, at any time in the period of 3 years ending with the day before the controlled period, the person has given an admission notice in relation to a failure to comply with another anti-forestalling notice.
- (6) An admission notice cannot be given—
 - (a) at a time when the person has reason to believe that Her Majesty's Revenue and Customs have discovered, or are about to discover, that the person has failed to comply with the anti-forestalling notice, or
 - (b) after the end of the controlled period.
- (7) The “lost duty” is the amount (if any) by which the duty that would have been charged under section 2 on the excess tobacco products if they had, immediately after the end of the controlled period, been removed for home use exceeds the duty that was charged under that section on those tobacco products.
- (8) The “excess tobacco products” are the tobacco products mentioned in subsection (1) that the person removed, for home use, in contravention of an anti-forestalling restriction.
- (9) See section 6A for the meaning of “anti-forestalling notice”, “anti-forestalling restriction” and “controlled period”.

Air passenger duty

57 Air passenger duty: exemption for children in standard class

- (1) In section 31 of FA 1994 (passengers: exceptions), after subsection (4) insert—
 - “(4ZA) A child who has not attained the age of 16 years is not a chargeable passenger in relation to a flight if the child's agreement for carriage—
 - (a) is evidenced by a ticket, and
 - (b) provides for standard class travel in relation to every flight on the child's journey.
 - (4ZB) Subsections (10) to (12) of section 30 (meaning of “standard class travel”) apply for the purposes of subsection (4ZA) as they apply for the purposes of that section.”
- (2) The amendment made by this section has effect in relation to any carriage of a passenger which begins on or after 1 May 2015.

But, in relation to any carriage of a passenger which begins before 1 March 2016, section 31(4ZA) of FA 1994 has effect as if for “16 years” there were substituted “12 years”.

Vehicle excise duty

58 VED rates for light passenger vehicles and motorcycles

- (1) Schedule 1 to VERA 1994 (annual rates of duty) is amended as follows.

Status: Point in time view as at 06/04/2024.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2015, PART 2. (See end of Document for details)

- (2) In paragraph 1B (graduated rates of duty for light passenger vehicles)—
 (a) for the tables substitute—

“Table 1

RATES PAYABLE ON FIRST VEHICLE LICENCE FOR VEHICLE

<i>CO₂ emissions figure</i>		<i>Rate</i>	
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>
<i>Exceeding</i>	<i>Not exceeding</i>	<i>Reduced rate</i>	<i>Standard rate</i>
<i>g/km</i>	<i>g/km</i>	<i>£</i>	<i>£</i>
130	140	120	130
140	150	135	145
150	165	170	180
165	175	285	295
175	185	340	350
185	200	480	490
200	225	630	640
225	255	860	870
255		1090	1100

Table 2

RATES PAYABLE ON ANY OTHER VEHICLE LICENCE FOR VEHICLE

<i>CO₂ emissions figure</i>		<i>Rate</i>	
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>
<i>Exceeding</i>	<i>Not exceeding</i>	<i>Reduced rate</i>	<i>Standard rate</i>
<i>g/km</i>	<i>g/km</i>	<i>£</i>	<i>£</i>
100	110	10	20
110	120	20	30
120	130	100	110
130	140	120	130
140	150	135	145
150	165	170	180
165	175	195	205
175	185	215	225
185	200	255	265

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200	225	280	290
225	255	480	490
255		495	505”;

- (b) in the sentence immediately following the tables, for paragraphs (a) and (b) substitute—
- “(a) in column (3), in the last two rows, “280” were substituted for “480” and “ 495 ”, and
- (b) in column (4), in the last two rows, “290” were substituted for “490” and “ 505 ”.”
- (3) In paragraph 2(1) (VED rates for motorcycles)—
- (a) in paragraph (c), for “£58” substitute “ £59 ”, and
- (b) in paragraph (d), for “£80” substitute “ £81 ”.
- (4) The amendments made by this section have effect in relation to licences taken out on or after 1 April 2015.

59 VED: extension of old vehicles exemption from 1 April 2016

- (1) In Schedule 2 to VERA 1994 (exempt vehicles) in paragraph 1A(1) (exemption for old vehicles) for the words from “constructed” to the end substitute “ constructed before 1 January 1976 ”.
- (2) The amendment made by subsection (1) comes into force on 1 April 2016; but nothing in that subsection has the effect that a nil licence is required to be in force in respect of a vehicle while a vehicle licence is in force in respect of it.

Gaming duty

60 Rates of gaming duty

- (1) In section 11(2) of FA 1997 (rates of gaming duty) for the table substitute—

“TABLE

<i>Part of gross gaming yield</i>	<i>Rate</i>
The first £2,347,500	15 per cent
The next £1,618,000	20 per cent
The next £2,833,500	30 per cent
The next £5,981,000	40 per cent
The remainder	50 per cent”

- (2) The amendment made by this section has effect in relation to accounting periods beginning on or after 1 April 2015.

Status: Point in time view as at 06/04/2024.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2015, PART 2. (See end of Document for details)

Aggregates levy

61 Tax credit in Northern Ireland

- (1) Part 2 of FA 2001 (aggregates levy) is amended in accordance with subsections (2) to (6).
- (2) After section 30A insert—

“30B Special tax credit in Northern Ireland

- (1) The Commissioners may by regulations make provision of the kind described in section 30(2) (entitlement to tax credit) in relation to cases within subsection (3) below.
- (2) Tax credit to which a person is entitled under the regulations is referred to in this section as “special tax credit”.
- (3) The cases are where—
 - (a) a person has been charged with, and has fully accounted for, aggregates levy in respect of the commercial exploitation of a quantity of aggregate, and
 - (b) the exploitation was of imported aggregate and occurred in Northern Ireland in the period defined in subsection (5).
- (4) For this purpose aggregate is “imported” if it was won from a site in a member State other than the United Kingdom.
- (5) The period mentioned in subsection (3)(b)—
 - (a) begins with 1 April 2004, and
 - (b) ends with 30 November 2010.
- (6) Regulations may in particular—
 - (a) provide that a person is not entitled to special tax credit unless the Department of the Environment in Northern Ireland (“the Department”) has certified under section 30D(4) that it is satisfied that specified requirements were met in relation to the site from which the aggregate originates during a period which includes the time when the aggregate was won from the site (and the certification has not been revoked);
 - (b) specify further conditions for entitlement to special tax credit;
 - (c) make provision about the rate at which special tax credit is to be given (including provision restricting the amount of special tax credit in cases where entitlement to a tax credit has already arisen);
 - (d) provide for compound interest at the applicable rate (see section 30C) to be treated as added, for such period and for such purposes as may be prescribed, to the amount of any special tax credit;
 - (e) authorise the Commissioners to adjust a person's claim for special tax credit in specified circumstances.
- (7) Regulations under subsection (6)(a) may specify the requirements in question by reference to any provisions of a notice published by the Department in pursuance of the regulations and not withdrawn by a further notice.

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- (8) Subsection (3) of section 30 (except paragraph (f) of that subsection) applies to regulations under this section as it applies to regulations under that section.
- (9) Section 32(1) (time limit for claims) does not apply to a claim for repayment of aggregates levy made under regulations under this section.

30C Special tax credit: applicable rate of interest

- (1) The reference in section 30B(6)(d) to the applicable rate is to a rate provided for in regulations made by the Treasury.
- (2) Regulations under this section may—
 - (a) provide for the rate to be determined, and to change from time to time, by reference to a rate referred to in the regulations;
 - (b) include provision for different rates to apply at different times in a period for which interest is due to a person.
- (3) Regulations under this section are to be made by statutory instrument.
- (4) A statutory instrument containing regulations under this section is subject to annulment in pursuance of a resolution of the House of Commons.

30D Special tax credit: certification by Department

- (1) A person may, for the purpose of making a claim for special tax credit, apply to the Department for a certification under subsection (4)(a).
- (2) The application must specify—
 - (a) a site, and
 - (b) a time (“the relevant time”).
- (3) Where a certification relating to a site has been wholly or partly revoked by virtue of subsection (7)(b), an application specifying that site may not specify a time falling within the period with respect to which the revocation has effect.
- (4) Where an application is made and the Department has not previously made a certification under paragraph (a) relating to both the specified site and a period that includes the relevant time, the Department must either—
 - (a) certify that it is satisfied that any requirements specified by virtue of section 30B(6)(a) were met in relation to the site during a period (specified in the certification) that includes the relevant time, or
 - (b) refuse the application.
- (5) If the Department makes a certification under subsection (4)(a) (a “special tax credit certification”) it must give a written notice of the certification to—
 - (a) the applicant, and
 - (b) HMRC.
- (6) Where an application is made and the Department has previously made a special tax credit certification relating to both the specified site and a period that includes the relevant time, the Department must give the applicant a written notice of that certification.
- (7) The Commissioners may by regulations—

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- (a) make provision about the time within which an application under subsection (1) must be made and the form and content of such an application;
 - (b) authorise the Department to revoke a special tax credit certification with respect to the whole or part of the period to which the certification relates if the Department is satisfied that its decision as regards the meeting of the relevant requirements (or that decision, so far as relating to the relevant part of that period) was not correct;
 - (c) make any other provision that is necessary in connection with paragraph (b) and subsection (8);
 - (d) provide that a revocation by virtue of paragraph (b) may not be made after a specified date.
- (8) A special tax credit certification is to be treated as never having had effect in relation to any period with respect to which it is revoked by virtue of subsection (7)(b).
- (9) Regulations under this section which make provision such as is mentioned in subsection (7)(b) must require the Department to inform the Commissioners, and any other person to whom the Department has given a written notice of the certification, if the Department revokes a special tax credit certification.
- (10) Any expenses of the Department under or by virtue of this section or section 30B are to be appropriated from the Consolidated Fund of Northern Ireland by Act of the Northern Ireland Assembly.
- (11) In this section “the Department” and “special tax credit” have the same meaning as in section 30B.”
- (3) In section 17 (meaning of “aggregate” and “taxable aggregate”), in subsection (6)(a), for “or 30A” substitute “, 30A or 30B ”.
- (4) In section 48(1) (interpretation of Part), in the definition of “tax credit regulations”, for “or 30A” substitute “, 30A or 30B ”.
- (5) In paragraph 9A of Schedule 6 (incorrect records etc evidencing claim for tax credit), in sub-paragraph (1)(a)—
- (a) omit the “or” at the end of sub-paragraph (i), and
 - (b) after sub-paragraph (ii) insert “, or
(iii) section 30B(3) of this Act (special tax credit in Northern Ireland);”.
- (6) In paragraph 2 of Schedule 8 (interest payable by the Commissioners), in sub-paragraph (3)—
- (a) in paragraph (b), for “of this Act; but” substitute “ or 30B(6)(d); ”, and
 - (b) after paragraph (b) insert—
 - “(ba) do not include the amount of any tax credit to which a person is entitled by virtue of section 30B(1); but”.

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Changes to legislation: There are currently no known outstanding effects for the Finance Act 2015, PART 2. (See end of Document for details)

Climate change levy

62 Climate change levy: main rates from 1 April 2016

- (1) In paragraph 42(1) of Schedule 6 to FA 2000 (climate change levy: amount payable by way of levy) for the table substitute—

“TABLE

<i>Taxable commodity supplied</i>	<i>Rate at which levy payable if supply is not a reduced-rate supply</i>
Electricity	£0.00559 per kilowatt hour
Gas supplied by a gas utility or any gas supplied in a gaseous state that is of a kind supplied by a gas utility	£0.00195 per kilowatt hour
Any petroleum gas, or other gaseous hydrocarbon, supplied in a liquid state	£0.01251 per kilogram
Any other taxable commodity	£0.01526 per kilogram”

- (2) The amendment made by this section has effect in relation to supplies treated as taking place on or after 1 April 2016.

63 Combined heat and power stations

- (1) Schedule 6 to FA 2000 (climate change levy) is amended as follows.
- (2) In paragraph 24B (deemed taxable supply: commodities to be used in combined heat and power station)—
- (a) in sub-paragraph (2), at the end insert “ to which sub-paragraph (2A) does not apply ”,
 - (b) after that sub-paragraph insert—
 - “(2A) This sub-paragraph applies to electricity so far as—
 - (a) it is included in the CHP Qualifying Power Output of the combined heat and power station's CHPQA scheme, and
 - (b) either condition A or B is met.
 - (2B) Condition A is that the producer of the electricity makes no supply of it to another person, but causes it to be consumed in the United Kingdom.
 - (2C) Condition B is that the electricity is supplied (within the meaning of Part 1 of the Electricity Act 1989 (see section 64 of that Act)) by a person who is an exempt unlicensed electricity supplier.”,
 - (c) in sub-paragraph (3), after “electricity” insert “ to which sub-paragraph (2A) does not apply ”, and
 - (d) for sub-paragraph (7) substitute—
 - “(7) For the purposes of this paragraph—

“CHP Qualifying Power Output” has the meaning given by section 4 of the Combined Heat and Power Quality

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Assurance Standard, Issue 5 (November 2013), prepared by the Department of Energy and Climate Change or, if that issue of the Standard has been replaced by another issue, by the current issue of the Standard (taking account, in either case, of any amendment which has been made to the issue);

“CHPQA scheme”, in relation to a combined heat and power station, means the scheme in relation to which the station's CHPQA certificate was issued;

“CHPQA site”, in relation to a fully exempt combined heat and power station or a partly exempt combined heat and power station, means the site of the CHPQA scheme.”

- (3) In paragraph 24C (initial determination under paragraph 24B(3) superseded by later determination), in sub-paragraph (1)—
 - (a) in paragraph (a), at the end insert “ to which paragraph 24B(2A) does not apply ”, and
 - (b) in paragraph (c)(i), after “electricity” insert “ to which paragraph 24B(2A) does not apply ”.
- (4) In paragraph 62 (tax credits), in sub-paragraph (1)(bb), after “electricity”, in both places, insert “ to which paragraph 24B(2A) does not apply ”.
- (5) The amendments made by this section have effect in relation to carbon price support rate commodities brought onto, or arriving at, a CHPQA site of a combined heat and power station in Great Britain on or after 1 April 2015.

Landfill tax

64 Landfill tax: rates from 1 April 2016

- (1) Section 42 of FA 1996 (amount of landfill tax) is amended as follows.
- (2) In subsection (1) (standard rate), for paragraph (a) (but not the “or” following it) substitute—
 - “(a) £84.40 for each whole tonne disposed of and a proportionately reduced sum for any additional part of a tonne.”
- (3) In subsection (2) (reduced rate for certain disposals), for the words from “reference” to the end substitute “ reference to £84.40 were to £2.65. ”
- (4) The amendments made by this section have effect in relation to disposals made (or treated as made) on or after 1 April 2016.

65 Landfill tax: material consisting of fines

Schedule 15 makes provision about the treatment of fines for the purposes of landfill tax.

Status: Point in time view as at 06/04/2024.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2015, PART 2. (See end of Document for details)

Value added tax

66 VAT: refunds to certain charities

- (1) In Part 2 of VATA 1994 (reliefs, exemptions and repayments), after section 33B insert—

“33C Refunds of VAT to charities within section 33D

- (1) This section applies to a charity that falls within any of the descriptions in section 33D.

A charity to which this section applies is referred to in this section as a “qualifying charity”.

- (2) This section applies where—
- (a) VAT is chargeable on—
 - (i) the supply of goods or services to a qualifying charity,
 - (ii) the acquisition of any goods from another member State by a qualifying charity, or
 - (iii) the importation of any goods from a place outside the member States by a qualifying charity, and
 - (b) the supply, acquisition or importation is not for the purpose of any business carried on by the qualifying charity.
- (3) The Commissioners shall, on a claim made by the qualifying charity at such time and in such form and manner as the Commissioners may determine, refund to the qualifying charity the amount of the VAT so chargeable.
- (4) A claim under subsection (3) above in respect of a supply, acquisition or importation must be made before the end of the period of 4 years beginning with the day on which the supply is made or the acquisition or importation takes place.
- (5) Subsection (6) applies where goods or services supplied to, or acquired or imported by, a qualifying charity otherwise than for the purpose of any business carried on by the qualifying charity cannot be conveniently distinguished from goods or services supplied to, or acquired or imported by, the qualifying charity for the purpose of such a business.
- (6) The amount to be refunded under this section is such amount as remains after deducting from the whole of the VAT chargeable on any supply to, or acquisition or importation by, the qualifying charity such proportion of that VAT as appears to the Commissioners to be attributable to the carrying on of the business.
- (7) References in this section to VAT do not include any VAT which, by virtue of an order under section 25(7), is excluded from credit under section 25.

33D Charities to which section 33C applies

Palliative care charities

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Palliative care charities

- (1) “Palliative care charity” means a charity the main purpose of which is the provision of palliative care at the direction of, or under the supervision of, a medical professional to persons who are in need of such care as a result of having a terminal illness.
- (2) In subsection (1) “medical professional” means—
 - (a) a registered medical practitioner, or
 - (b) a registered nurse.

Air ambulance charities

Air ambulance charities

- (3) “Air ambulance charity” means a charity the main purpose of which is to provide an air ambulance service in pursuance of arrangements made by, or at the request of, a relevant NHS body.
- (4) In subsection (3) “relevant NHS body” means a body the main purpose of which is to provide ambulance services and which is—
 - (a) an NHS foundation trust in England,
 - (b) an NHS trust in Wales,
 - (c) a Special Health Board constituted under section 2 of the National Health Service (Scotland) Act 1978, or
 - (d) a Health and Social Care trust established under the Health and Personal Social Services (Northern Ireland) Order 1991.

Search and rescue charities

Search and rescue charities

- (5) “Search and rescue charity” means a charity that meets condition A or B.
- (6) Condition A is that—
 - (a) the main purpose of the charity is to carry out search and rescue activities in the United Kingdom or the UK marine area, and
 - (b) the search and rescue activities carried out by the charity are co-ordinated by a relevant authority.
- (7) Condition B is that the main purpose of the charity is to support, develop and promote the activities of a charity which meets condition A.
- (8) For the purposes of subsection (6)—

“search and rescue activities” means searching for, and rescuing, persons who are, or may be, at risk of death or serious injury;

“relevant authority” means—

 - (a) the Secretary of State;
 - (b) a police force;
 - (c) the Scottish Fire and Rescue Service;
 - (d) any other person or body specified for the purposes of subsection (6) by an order made by the Treasury;

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“police force” means—

- (a) a police force within the meaning of the Police Act 1996;
- (b) the Police Service of Scotland;
- (c) the Police Service of Northern Ireland;
- (d) the Police Service of Northern Ireland Reserve;
- (e) the British Transport Police Force;
- (f) the Civil Nuclear Constabulary;
- (g) the Ministry of Defence Police;

“UK marine area” has the meaning given by section 42(1) of the Marine and Coastal Access Act 2009.

Medical courier charities

Medical courier charities

- (9) “Medical courier charity” means a charity that meets condition A or B.
- (10) Condition A is that the main purpose of the charity is to provide services for the transportation of items intended for use for medical purposes, including in particular—
 - (a) blood;
 - (b) medicines and other medical supplies;
 - (c) items relating to people who are undergoing medical treatment.
- (11) Condition B is that the main purpose of the charity is to support, develop and promote the activities of a charity which meets condition A.
- (12) In subsection (10) “item” includes any substance.”
- (2) In section 79 of VATA 1994 (repayment supplement in respect of certain delayed payments or refunds)—
 - (a) in subsection (1), after paragraph (d) insert “or
 - (e) a charity which is registered is entitled to a refund under section 33C,”;
 - (b) in subsection (5), after paragraph (d) insert “, and
 - (e) a supplement paid to a charity under subsection (1)(e) shall be treated as an amount due to the charity by way of refund under section 33C.”;
 - (c) in subsection (6)(b), for “or 33B” substitute “, 33B or 33C”.
- (3) In section 90 of VATA 1994 (failure of resolution under Provisional Collection of Taxes Act 1968), in subsection (3), after “33B,” insert “ 33C, ”.
- (4) In Schedule 9 to VATA 1994 (exemptions), in Group 14 (supplies of goods where input tax cannot be recovered), in Note (9), after “33B,” insert “ 33C, ”.
- (5) The amendments made by this section have effect in relation to supplies made, and acquisitions and importations taking place, on or after 1 April 2015.

^{F1}(6)

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Textual Amendments

- F1** S. 66(6) omitted (1.7.2022) by virtue of [Health and Care Act 2022 \(c. 31\)](#), s. 186(6), [Sch. 7 para. 30](#); [S.I. 2022/734](#), reg. 2(a), [Sch.](#) (with regs. 13, 29, 30)

67 VAT: refunds to strategic highways companies

- (1) In section 41 of VATA 1994 (application of Act to the Crown), in subsection (7)—
- after “subsection (6)” insert “ each of the following is to be regarded as a body of persons exercising functions on behalf of a Minister of the Crown ”,
 - omit the “and” after paragraph (j), and
 - for the words after paragraph (k) substitute—
 - a strategic highways company appointed under section 1 of the Infrastructure Act 2015.”
- (2) The amendments made by this section come into force on 1 April 2015.

Stamp duty land tax

68 SDLT: alternative property finance relief

- (1) FA 2003 is amended as follows.
- (2) In section 73BA (meaning of “financial institution”), after subsection (2) insert—
- “(3) In sections 71A, 73AB and 73B, “financial institution” also includes a person with permission under Part 4A of the Financial Services and Markets Act 2000 to carry on the regulated activity specified in Article 63F(1) of the Financial Services and Markets Act (Regulated Activities) Order 2001 (S.I. 2001/544) (entering into regulated home purchase plans as home purchase provider).”
- (3) In paragraph 9 of Schedule 4A (higher rate for certain SDLT transactions: interpretation), for the definition of “financial institution” substitute—
- ““financial institution” is to be read in accordance with subsections (1) and (2) of section 73BA and, in paragraphs 6A to 6H, also in accordance with subsection (3) of that section;”.
- (4) The amendment made by subsection (2) has effect where the effective date of the first transaction is, or is after, the day on which this Act is passed.
- (5) In subsection (4) “first transaction” means the first transaction within the meaning of section 71A(1)(a) of FA 2003.

69 SDLT: multiple dwellings relief

- (1) After paragraph 2(6) of Schedule 6B to FA 2003 (stamp duty land tax: superior interest in dwellings subject to a long lease excluded from multiple dwellings relief) insert—
- “(7) Sub-paragraph (6) does not apply where—
- the vendor is a qualifying body within the meaning of paragraph 5 of Schedule 9,

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- (b) the transaction is a sale under a sale and leaseback arrangement within the meaning of section 57A(2),
 - (c) that sale is the grant of a leasehold interest, and
 - (d) the leaseback element of that arrangement is exempt from charge under section 57A.”
- (2) The amendment made by this section has effect in relation to any land transaction of which the effective date is, or is after, the day on which this Act is passed.

Annual tax on enveloped dwellings

70 ATED: annual chargeable amount

- (1) In section 99 of FA 2013 (amount of tax chargeable), in the table in subsection (4), for the last four entries substitute—

“£23,350	More than £2 million but not more than £5 million.
£54,450	More than £5 million but not more than £10 million.
£109,050	More than £10 million but not more than £20 million.
£218,200	More than £20 million.”

- (2) The amendment made by subsection (1) has effect for the chargeable period beginning on 1 April 2015 and, subject to section 101 of FA 2013, for subsequent chargeable periods.
- (3) Section 101(1) of FA 2013 does not apply in relation to the chargeable period beginning on 1 April 2015.
- (4) Accordingly, the Treasury is not required to make an order under section 101(5) of FA 2013 in respect of that period.

71 ATED: taxable value

In section 102 of FA 2013 (annual tax on enveloped dwellings: taxable value), after subsection (2) insert—

“(2A) But a day that is a valuation date only because of subsection (2)(b) (a “5-yearly valuation date”) is to be treated as if it were not a valuation date for the purpose of determining the taxable value of a single-dwelling interest on any day in the chargeable period beginning with that 5-yearly valuation date.”

72 ATED: interests held by connected persons

- (1) Section 110 of FA 2013 (interests held by connected persons) is amended as follows.
- (2) In subsection (1), after “If on any day” insert “ (“the relevant day”) ”.
- (3) In subsection (2)—

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- (a) omit “on the day in question”;
 - (b) after “P’s single dwelling interest” insert “ on the relevant day ”;
 - (c) for “£500,000” substitute “ £250,000 ”.
- (4) After subsection (2) insert—
- “(2A) Subsection (2B) applies in any case where—
- (a) C would (without subsection (2B)) be treated, as a result of subsection (1) (read with section 109), as entitled to a single-dwelling interest with a taxable value (on the relevant day) of more than £2 million, but
 - (b) C would not be so treated if the value specified in subsection (2) were £500,000 (instead of £250,000).
- (2B) Subsection (2) has effect as if the value specified in it were £500,000 (instead of £250,000).”
- (5) The amendments made by this section have effect in relation to chargeable periods beginning on or after 1 April 2015.

73 ATED: returns

- (1) Part 3 of FA 2013 (annual tax on enveloped dwellings) is amended as follows.
- (2) In section 159 (annual tax on enveloped dwellings return), after subsection (3) insert—
- “(3A) Where a person—
- (a) would (apart from this subsection) be required in accordance with subsection (2) to deliver a return for a chargeable period (“the later period”) by 30 April in that period, and
 - (b) is also required in accordance with subsection (3) to deliver a return for the previous chargeable period by a date (“the later date”) which is later than 30 April in the later period,
- subsection (2) has effect as if it required the return mentioned in paragraph (a) to be delivered by the later date.”
- (3) After section 159 insert—

“159A Relief declaration returns

- (1) “Relief declaration return” means an annual tax on enveloped dwellings return which—
- (a) states that it is a relief declaration return,
 - (b) relates to one (and only one) of the types of relief listed in the table in subsection (9), and
 - (c) specifies which type of relief it relates to.
- (2) A relief declaration return may be made in respect of one or more single-dwelling interests.
- (3) A relief declaration return delivered to an officer of Revenue and Customs on a particular day (“the day of the claim”) is treated as made in respect of any single-dwelling interest in relation to which the conditions in subsection (4)

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are met (but need not contain information which identifies the particular single-dwelling interest or interests concerned).

- (4) The conditions are that—
- (a) the person making the return is within the charge with respect to the single-dwelling interest on the day of the claim;
 - (b) the day of the claim is relievably in relation to the single-dwelling interest by virtue of a provision which relates to the type of relief specified in the return (see subsection (9));
 - (c) none of the days in the pre-claim period is a taxable day.
- (5) The statement under subsection (1)(a) in a relief declaration return is treated as a claim for interim relief (see section 100) with respect to the single-dwelling interest (or interests) in respect of which the return is made.
- (6) Subsection (7) applies where—
- (a) a person has delivered to an officer of Revenue and Customs on any day a relief declaration return for a chargeable period with respect to one or more single-dwelling interests (“the existing return”), and
 - (b) there is a subsequent day (“day S”) in the same chargeable period on which the relevant conditions are met in relation to another single-dwelling interest.
- (7) The existing return is treated as also made with respect to that other single-dwelling interest.
- (8) For the purposes of subsection (6)(b), the “relevant conditions” are the same as the conditions in subsection (4), except that for this purpose references in subsection (4) to the day of the claim are to be read as references to day S.
- (9) This table sets out the numbered types of relief to which the provisions specified in the left hand column relate—

<i>Provision</i>	<i>Type of relief to which it relates</i>
Section 133 or 134 (property rental business)	1
Section 137 (dwellings opened to the public)	2
Section 138 or 139 (property developers)	3
Section 141 (property traders)	4
Section 143 (financial institutions acquiring dwellings)	5
Section 145 (dwellings used for trade purposes: occupation by certain employees or partners)	6
Section 148 (farmhouses)	7
Section 150 (providers of social housing)	8

- (10) Where a person—
- (a) has failed to make annual tax on enveloped dwellings returns in respect of two or more single-dwelling interests, and

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- (b) could have discharged the duties in question by making a single relief declaration return in respect of all the interests,
the failure may be taken, for the purposes of Schedule 55 to FA 2009, to be a failure to make a single annual tax on enveloped dwellings return.
- (11) In this section—
“pre-claim period” has the same meaning as in section 100;
“taxable day”, in relation to a person and a single-dwelling interest, means a day on which the person is within the charge with respect to the interest, other than a day which is relievable in relation to the interest.”
- (4) In section 161 (return to include self-assessment), for subsection (2) substitute—
“(2) In subsection (1) “return” means—
(a) an annual tax on enveloped dwellings return, or
(b) a return of the adjusted chargeable amount.
(2A) The reference in subsection (2)(a) to an annual tax on enveloped dwellings return does not include a relief declaration return.”
- (5) In Schedule 33 (annual tax on enveloped dwellings: returns etc)—
(a) in paragraph 2(a), after “159” insert “, 159A ”;
(b) in paragraph 20(1), for “in question, the self assessment included in that return” substitute “ in question containing a self assessment, that self assessment ”.
- (6) The amendments made by subsections (1) to (5) have effect for chargeable periods beginning on or after 1 April 2015.
- (7) In a case (not falling within section 109(5) of FA 2014) which falls within subsection (8), section 159 of FA 2013 (annual tax on enveloped dwellings return) has effect with the same modifications as are set out in section 109(6) of FA 2014 (which provides for extended filing periods in certain cases).
- (8) The case is where—
(a) a person has a duty to deliver to an officer of Revenue and Customs an annual tax on enveloped dwellings return with respect to a single-dwelling interest for the chargeable period beginning with 1 April 2015, and
(b) the circumstances on the first day in that chargeable period on which that person is within the charge with respect to that single-dwelling interest are such that that duty could be discharged by the delivery to an officer of Revenue and Customs on that day of a relief declaration return.

Inheritance tax

74 Inheritance tax: exemption for decorations and other awards

- (1) In section 6 of IHTA 1984 (excluded property), for subsection (1B) substitute—
“(1B) A relevant decoration or award is excluded property if it has never been the subject of a disposition for a consideration in money or money's worth.

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(1BA) In subsection (1B) “relevant decoration or award” means a decoration or other similar award—

- (a) that is designed to be worn to denote membership of—
 - (i) an Order that is, or has been, specified in the Order of Wear published in the London Gazette (“the Order of Wear”), or
 - (ii) an Order of a country or territory outside the United Kingdom,
- (b) that is, or has been, specified in the Order of Wear,
- (c) that was awarded for valour or gallant conduct,
- (d) that was awarded for, or in connection with, a person being, or having been, a member of, or employed or engaged in connection with, the armed forces of any country or territory,
- (e) that was awarded for, or in connection with, a person being, or having been, an emergency responder within the meaning of section 153A (death of emergency service personnel etc), or
- (f) that was awarded by the Crown or a country or territory outside the United Kingdom for, or in connection with, public service or achievement in public life.”

(2) The amendment made by subsection (1) has effect in relation to transfers of value made, or treated as made, on or after 3 December 2014.

75 Inheritance tax: exemption for emergency service personnel etc

(1) IHTA 1984 is amended as follows.

(2) After section 153 insert—

“Emergency services

153A Death of emergency service personnel etc

(1) The reliefs in subsection (2) apply where a person—

- (a) dies from an injury sustained, accident occurring or disease contracted at a time when that person was responding to emergency circumstances in that person's capacity as an emergency responder, or
- (b) dies from a disease contracted at some previous time, the death being due to, or hastened by, the aggravation of the disease during a period when that person was responding to emergency circumstances in that person's capacity as an emergency responder.

(2) The reliefs are—

- (a) that no potentially exempt transfer made by the person becomes a chargeable transfer under section 3A(4) because of the death,
- (b) that section 4 (transfers on death) does not apply in relation to the death, and
- (c) that no additional tax becomes due under section 7(4) because of a transfer made by the person within 7 years of the death.

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- (3) “Emergency circumstances” means circumstances which are present or imminent and are causing or likely to cause—
- (a) the death of a person,
 - (b) serious injury to, or the serious illness of, a person,
 - (c) the death of an animal,
 - (d) serious injury to, or the serious illness of, an animal,
 - (e) serious harm to the environment (including the life and health of plants and animals),
 - (f) serious harm to any building or other property, or
 - (g) a worsening of any such injury, illness or harm.
- (4) A person is “responding to emergency circumstances” if the person—
- (a) is going anywhere for the purpose of dealing with emergency circumstances occurring there, or
 - (b) is dealing with emergency circumstances, preparing to do so imminently or dealing with the immediate aftermath of emergency circumstances.
- (5) For the purposes of this section, circumstances to which a person is responding are to be taken to be emergency circumstances if the person believes and has reasonable grounds for believing they are or may be emergency circumstances.
- (6) “Emergency responder” means—
- (a) a person employed, or engaged, in connection with the provision of fire services or fire and rescue services,
 - (b) a person employed for the purposes of providing, or engaged to provide, search services or rescue services (or both),
 - (c) a person employed for the purposes of providing, or engaged to provide, medical, ambulance or paramedic services,
 - (d) a constable or a person employed for police purposes or engaged to provide services for police purposes,
 - (e) a person employed for the purposes of providing, or engaged to provide, services for the transportation of organs, blood, medical equipment or medical personnel, or
 - (f) a person employed, or engaged, by the government of a state or territory, an international organisation or a charity in connection with the provision of humanitarian assistance.
- (7) For the purposes of subsection (6)—
- (a) it is immaterial whether the employment or engagement is paid or unpaid, and
 - (b) “international organisation” means an organisation of which—
 - (i) two or more sovereign powers are members, or
 - (ii) the governments of two or more sovereign powers are members.
- (8) The Treasury may, by regulations made by statutory instrument, extend the definition of “emergency responder” in subsection (6).

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- (9) Regulations under this section are subject to annulment in pursuance of a resolution of the House of Commons.”
- (3) In section 154 (death on active service)—
- (a) in subsection (1), for “Section 4 shall not apply” substitute “ The reliefs in subsection (1A) apply ”,
 - (b) after that subsection insert—

“(1A) The reliefs are—

 - (a) that no potentially exempt transfer made by the deceased becomes a chargeable transfer under section 3A(4) because of the death,
 - (b) that section 4 (transfers on death) does not apply in relation to the death, and
 - (c) that no additional tax becomes due under section 7(4) because of a transfer made by the deceased within 7 years of the death.”,
 - (c) in subsection (2) omit “either” and after paragraph (b) insert “or
 - (c) responding to emergency circumstances in the course of the person's duties as a member of any of those armed forces or as a civilian subject to service discipline.”, and
 - (d) after that subsection insert—

“(2A) Section 153A(3) to (5) applies for the purposes of this section.”
- (4) After section 155 insert—

“Constables and service personnel

155A Death of constables and service personnel targeted because of their status

- (1) The reliefs in subsection (3) apply where a person—
 - (a) dies from an injury sustained or disease contracted in circumstances where the person was deliberately targeted by reason of his or her status as a constable or former constable, or
 - (b) dies from a disease contracted at some previous time, the death being due to, or hastened by, the aggravation of the disease by an injury sustained or disease contracted in circumstances mentioned in paragraph (a).
- (2) The reliefs in subsection (3) apply where it is certified by the Defence Council or the Secretary of State that a person—
 - (a) died from an injury sustained or disease contracted in circumstances where the person was deliberately targeted by reason of his or her status as a service person or former service person, or
 - (b) died from a disease contracted at some previous time, the death being due to, or hastened by, the aggravation of the disease by an injury sustained or disease contracted in circumstances mentioned in paragraph (a).

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- (3) The reliefs are—
- (a) that no potentially exempt transfer made by the person becomes a chargeable transfer under section 3A(4) because of the death,
 - (b) that section 4 (transfers on death) does not apply in relation to the death, and
 - (c) that no additional tax becomes due under section 7(4) because of a transfer made by the person within 7 years of the death.
- (4) For the purposes of this section, it is immaterial whether a person who was a constable or service person at the time the injury was sustained or the disease was contracted was acting in the course of his or her duties as such at that time (and for this purpose ignore the references in subsections (1)(b) and (2)(b) to a disease contracted at some previous time).
- (5) “Service person” means a person who is a member of the armed forces of the Crown or a civilian subject to service discipline (within the meaning of the Armed Forces Act 2006).
- (6) This section does not apply where section 153A or 154 applies in relation to a person's death.”
- (5) The amendments made by this section have effect in relation to deaths occurring on or after 19 March 2014.

The bank levy

76 The bank levy: rates from 1 April 2015

- (1) Schedule 19 to FA 2011 (bank levy) is amended as follows.
- (2) In paragraph 6 (steps for determining the amount of the bank levy), in sub-paragraph (2)—
- (a) for “0.078%” substitute “ 0.105% ”, and
 - (b) for “0.156%” substitute “ 0.21% ”.
- (3) In paragraph 7 (special provision for chargeable periods falling wholly or partly before 1 January 2014)—
- (a) in sub-paragraph (1) for “1 January 2014” substitute “ 1 April 2015 ”;
 - (b) in sub-paragraph (2), in the first column of the table in the substituted Step 7, for “ Any time on or after 1 January 2014 ” substitute “1 January 2014 to 31 March 2015”;
 - (c) at the end of that table add—
- | | | |
|------------------------------------|--------|---------|
| “Any time on or after 1 April 2015 | 0.105% | 0.21%”; |
|------------------------------------|--------|---------|
- (d) in the italic heading before paragraph 7, for “1 January 2014” substitute “ 1 April 2015 ”.
- (4) The amendments made by subsections (2) and (3) come into force on 1 April 2015.
- (5) Subsections (6) to (12) apply where—

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- (a) an amount of the bank levy is treated as if it were an amount of corporation tax chargeable on an entity (“E”) for an accounting period of E,
 - (b) the chargeable period in respect of which the amount of the bank levy is charged begins before but ends on or after 1 April 2015, and
 - (c) under the Instalment Payment Regulations, one or more instalment payments, in respect of the total liability of E for the accounting period, were treated as becoming due and payable before 1 April 2015 (“pre-commencement instalment payments”).
- (6) Subsections (1) to (4) are to be ignored for the purpose of determining the amount of any pre-commencement instalment payment.
- (7) If there is at least one instalment payment, in respect of the total liability of E for the accounting period, which under the Instalment Payment Regulations is treated as becoming due and payable on or after 1 April 2015 (“post-commencement instalment payments”), the amount of that instalment payment, or the first of them, is to be increased by the adjustment amount.
- (8) If there are no post-commencement instalment payments, a further instalment payment, in respect of the total liability of E for the accounting period, of an amount equal to the adjustment amount is to be treated as becoming due and payable on 30 April 2015.
- (9) “The adjustment amount” is the difference between—
- (a) the aggregate amount of the pre-commencement instalment payments determined in accordance with subsection (6), and
 - (b) the aggregate amount of those instalment payments determined ignoring subsection (6) (and so taking account of subsections (1) to (4)).
- (10) In the Instalment Payment Regulations—
- (a) in regulations 6(1)(a), 7(2), 8(1)(a) and (2)(a), 9(5), 10(1), 11(1) and 13, references to regulation 4A, 4B, 4C, 4D, 5, 5A or 5B of those Regulations are to be read as including a reference to subsections (5) to (9) (and in regulation 7(2) “the regulation in question”, and in regulation 8(2) “that regulation”, are to be read accordingly), and
 - (b) in regulation 9(3), the reference to those Regulations is to be read as including a reference to subsections (5) to (9).
- (11) In section 59D of TMA 1970 (general rule as to when corporation tax is due and payable), in subsection (5), the reference to section 59E is to be read as including a reference to subsections (5) to (10).
- (12) In this section—
- “the chargeable period” is to be construed in accordance with paragraph 4 or (as the case may be) 5 of Schedule 19 to FA 2011;
 - “the Instalment Payment Regulations” means the Corporation Tax (Instalment Payments) Regulations 1998 (S.I. 1998/3175);
- and references to the total liability of E for an accounting period are to be construed in accordance with regulation 2(3) of the Instalment Payment Regulations.

Status:

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Changes to legislation:

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