



# Finance Act 2022

## 2022 CHAPTER 3

### PART 5

#### OTHER TAXES

##### *Vehicle taxes*

#### **79 Vehicle excise duty: exemption for certain cabotage operations**

- (1) The Motor Vehicles (International Circulation) Order 1975 ([S.I. 1975/1208](#)) is modified in accordance with subsection (2).
- (2) Article 5 (excise exemption and documents for vehicles brought temporarily into the United Kingdom) has effect as if—
  - (a) in paragraph (2), after sub-paragraph (c) there were inserted—
    - “(d) in a case of a vehicle being used for or in connection with a cabotage operation in Great Britain that is not exempt from excise duty under sub-paragraph (b) or (c), the vehicle is exempt from excise duty if and for so long as—
      - (i) the cabotage operation consists of national carriage for hire or reward by a haulier;
      - (ii) no more than 14 days has elapsed beginning with the day on which the vehicle arrived in the United Kingdom in the course of a laden journey;
      - (iii) the vehicle is being used at any time during the permitted period; and
      - (iv) either paragraph (2ZA) or (2ZB) applies in the case of the vehicle.”;
  - (b) after paragraph (2) there were inserted—
    - “(2ZA) This paragraph applies in the case of a vehicle if—
      - (a) the haulier is the holder of a Community licence, and

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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2022, Section 79. (See end of Document for details)*

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- (b) the driver of the vehicle, if a national of a country which is not a member State, holds a driver attestation.
- (2ZB) This paragraph applies in the case of a vehicle if—
- (a) the vehicle is a foreign goods vehicle, and
  - (b) the vehicle lawfully entered the United Kingdom in the course of a laden international road transport.
- (2ZC) The definition of “foreign goods vehicle” in regulation 3(1) of the Goods Vehicles (Licensing of Operators) (Temporary Use in Great Britain) Regulations 1996 (S.I. 1996/2186) applies for the purposes of paragraph (2ZB)(a), but as if paragraph (d) of that definition were omitted.
- (2ZD) Paragraphs (2ZE) and (2ZF) apply in determining the “permitted period” for the purposes of paragraph (2)(c)(d)(iii).
- (2ZE) In the case of vehicles arriving in the United Kingdom on or after 28th October 2021, the “permitted period” means the period ending with—
- (a) 30th April 2022, or
  - (b) such later date as regulations made by the Treasury may specify.
- (2ZF) Where regulations made by the Treasury provide for this paragraph to apply in the case of vehicles arriving in the United Kingdom on or after a date specified in the regulations that is after 30th April 2022, the “permitted period” means the period—
- (a) beginning with that specified date, and
  - (b) ending with such later date as the regulations may specify.
- (2ZG) The later date specified in regulations under paragraph (2ZE)(b) or (2ZF)(b) must be no later than 31st December 2022.
- (2ZH) Regulations under paragraph (2ZE) or (2ZF) are to be made by statutory instrument.
- (2ZI) A statutory instrument containing regulations under paragraph (2ZE) or (2ZF) is subject to annulment in pursuance of a resolution of the House of Commons.”

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2022, Section 79.