



Finance Act 1932

1932 CHAPTER 25

PART I

CUSTOMS AND EXCISE

1 Duties on tea

- (1) Customs duties at the rates hereinafter mentioned shall be payable on tea imported into the United Kingdom on or after the twentieth day of April, nineteen hundred and thirty-two, that is to say :—

Tea not being an Empire product	the lb., Fourpence
Tea being an Empire product	the lb., Twopence.

- (2) An excise duty at the rate of twopence the pound shall be payable on tea which was imported into the United Kingdom before the twentieth day of April, nineteen hundred and thirty-two, and was on that date in the ownership or possession of any person who then held more than one thousand pounds thereof, but not including any such tea which is shown to the satisfaction of the Commissioners of Customs and Excise to have been intended for use by the person in whose ownership or possession it was and not to have been intended for sale or for use in the preparation of a beverage for sale.
- (3) Section fourteen of the Finance Act, 1924 (which makes provision for the allowance of drawback on the exportation of certain blended tea), shall (as amended by section twelve of the Finance Act, 1925, which provides that the said section fourteen shall extend to tea shipped as stores) extend to blended tea prepared from teas in respect of which either of the customs duties or the excise duty payable under this section has been paid.
- (4) In this section the expression " Empire product " has the same meaning as in subsection (1) of section eight of the Finance Act, 1919.

2 Duties on certain colonial sugar, molasses, and c

- (1) As from the commencement of this section, the customs duties in respect of sugar, molasses, glucose and saccharin shown to the satisfaction of the Commissioners of Customs and Excise to have been consigned from and grown, produced or manufactured in a colony or other country to which this section applies shall be at the rates specified in the First Schedule to this Act instead of at the rates theretofore chargeable.
- (2) The colonies to which this section applies are all the colonies except Southern Rhodesia, and the other countries to which this section applies are territories under His Majesty's protection and territories in respect of which a mandate of the League of Nations is being exercised by the Government of the United Kingdom, being territories to which section five of the Import Duties Act, 1932, by virtue of an Order in Council made thereunder for the time being applies.
- (3) This section shall be deemed to have had effect as from the twentieth day of April, nineteen hundred and thirty-two :

Provided that in the application of this section to any duty chargeable on manufactured or prepared goods under section seven of the Finance Act, 1901, the first day of July shall be substituted for the twentieth day of April.

3 Excise duties on sugar, molasses, and c

- (1) As from the commencement of this section, the excise duties in respect of sugar, molasses, glucose and saccharin shall be at the rates specified in the Second Schedule to this Act instead of at the rates theretofore chargeable.
- (2) This section shall be deemed to have had effect, as from the twentieth day of April, nineteen hundred and thirty-two.

4 Rates of drawback on certain sugar and molasses

In the case of sugar and molasses produced in the United Kingdom from material on which there has been paid a customs duty at a rate chargeable by virtue of section two of this Act or an excise duty, drawbacks shall be paid in accordance with the scales set out in the Third Schedule to this Act instead of in accordance with the scales which would otherwise have been applicable:

Provided that the reduction under this subsection of the rates or amounts of any drawback shall not have effect in relation to any goods as respects which it is shown to the satisfaction of the Commissioners of Customs and Excise that duty was paid at the rate in force before the twentieth day of April, nineteen hundred and thirty-two.

5 Additional and substituted customs duties on articles made wholly or partly of silk or artificial silk

- (1) As from the commencement of this section, in addition to the customs duties chargeable under section four of and the Second Schedule to the Finance Act, 1925, and subsection (1) of section five of the Finance Act, 1926, a customs duty equal to ten per cent. of the value of the articles shall be charged on the importation into the United Kingdom of yams and tissues and other articles (not being articles of apparel) made wholly or partly of silk or artificial silk.

Status: This is the original version (as it was originally enacted).

(2) As from the commencement of this section, in the case of an article of apparel made wholly or partly of silk or artificial silk there shall, in lieu of the customs duty chargeable under the enactments aforesaid, be charged, on the importation thereof into the United Kingdom, whichever is the higher of the two following duties, that is to say—

- (a) a customs duty equal to the aggregate amount of the customs duty which would otherwise have been chargeable under the enactments aforesaid, and of a duty equal to ten per cent. of the value of the article;
- (b) a customs duty calculated at the rate shown in the following table on the weight of the article :—

—	In the case of articles containing silk alone or containing both silk and artificial silk.		In the case of articles containing artificial silk alone.	
	<i>the lb.</i>		<i>the lb.</i>	
	s.	d.	s.	d.
Where the article is made wholly of silk or artificial silk, or where the value of the silk or artificial silk component exceeds twenty per cent. of the aggregate of the values of all the components of the article	12	0	5	0
Where the value of the silk or artificial silk component exceeds five per cent. but does not exceed twenty per cent. of the aggregate of the values of all the components of the article	4	0	1	8
Where the value of the silk or artificial	0	9	0	4

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—	In the case of articles containing silk alone or containing both silk and artificial silk.	In the case of articles containing artificial silk alone.
	<i>the lb.</i>	<i>the lb.</i>
	s. d.	s. d.
silk component does not exceed five per cent. of the aggregate of the values of all the components of the article		

- (3) The provisions of Part II of the Second Schedule to the Finance Act, 1925 (which relates to drawbacks), shall not apply in relation to the duties chargeable under this section, but a drawback equal to the amount of any duty paid under this section in respect of any articles may be allowed—
- (a) if the articles (not being articles specified in paragraph 1 of the said Part II) are shown to the satisfaction of the Commissioners of Customs and Excise to be in such form and state that the rate of duty which would be payable in respect thereof, if they were being imported, would be the same as that at which they or their components have already been charged; or
 - (b) if the articles are made-up articles exported in the form and state in which they were imported.
- (4) The provisions of Part III of the said Schedule shall, so far as applicable, apply to, and in relation to, the duties charged and the drawbacks allowed under this section as- they apply to, and in relation to, the duties and drawbacks mentioned in the said Schedule, subject to the following modifications and exceptions :—
- (a) paragraphs 1 and 2 of the said Part III shall not apply in relation to any duty which is calculated by reference to value or to any drawback of such a duty;
 - (b) paragraph 7 shall apply as if there were inserted after the word " if, " in the second and third place where that word occurs, the words " or so far as ";
 - (c) paragraphs 10 and 11 shall not apply.
- (5) In the case of goods being Empire products within the meaning of subsection (1) of section eight of the Finance Act, 1919, the customs duties imposed by this section shall be charged at the preferential rate of five-sixths of the full rate.
- (6) This section shall be deemed to have had effect as from the eleventh day of May, nineteen hundred and thirty-two.

6 Repeal of subs. (2) of s. 5 of 16 and 17 Geo. 5. c. 22

- (1) Subsection (2) of section five of the Finance Act, 1926 (which gives a person importing for his own use and not for sale an article of apparel made wholly or partly of silk (including artificial silk) the option of having the article charged with duty by reference to the whole weight thereof) shall be repealed.

- (2) This section shall be deemed to have had effect as from the twentieth day of April, nineteen hundred and thirty-two.

7 Power to remove goods from Schedule 1 of 22 and 23 Geo. 5. c. 8

- (1) The Treasury, after receiving a recommendation from the Import Duties Advisory Committee that goods of any class or description exempted from the general ad valorem duty imposed by section one of the Import Duties Act, 1932, by reason of their being included for the time being in the First Schedule to that Act, ought no longer to be so exempted, may, after consultation with the appropriate Department, by order direct that goods of all or any of the classes or descriptions specified in the recommendation shall cease to be included in that Schedule.
- (2) The Treasury may, on the recommendation of the said Committee and after consultation with the appropriate Department, by order vary or revoke any order made under this section.
- (3) Orders made by the Treasury under this section shall be deemed for the purpose of subsections (1), (2), (3) and (4) of section nineteen of the Import Duties Act, 1932, to have been made under that Act, and in this section the expression " appropriate Department" has the same meaning as in that Act.

8 Power to revoke Orders in Council made under s. 5 of 22 and 23 Geo. 5. c. 8

An Order in Council made under section five of the Import Duties Act, 1932, may be revoked or varied by a subsequent Order in Council.

9 Further provision for drawback of duties under Part I of 22 and 23 Geo. 5. c. 8

- (1) Where it appears to the Import Duties Advisory Committee that, in the case of goods of any class or description manufactured in, and exported or shipped as stores from, the United Kingdom, a drawback as respects duties chargeable under Part I of the Import Duties Act, 1932, should be allowed in respect of any material of a class or description used in the manufacture of those goods, the Committee may submit to the Treasury a scheme for the allowance of such a drawback, and the Treasury may, after consultation with the appropriate Department, by order approve the scheme, and thereupon drawback shall be allowed in accordance with, and subject to the provisions of, the scheme and of this section:

Provided that the Committee shall not submit, and the Treasury shall not approve, any such scheme, unless satisfied that, having regard to all the circumstances, including the interests of any producers in the United Kingdom of material of the kind specified in the scheme, it is in the national interest that drawback should be allowed as provided by the scheme.

- (2) Any such scheme—
- (a) shall specify the class or description of manufactured goods in the case of which, and the class or description of material in respect of which, the drawback is to be allowed;
- (b) may provide for the allowance of drawback in respect of such quantity of material of that class or description as is actually contained in the goods or is specified in the scheme as being the average quantity of such material (whether wholly duty-paid, or whether partly duty-paid and partly not duty-

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- paid) used in the manufacture of goods of that class or description, either by manufacturers generally or by any particular manufacturer;
- (c) shall specify the rate of drawback to be allowed, being such a rate fixed by reference to weight or some other measure of quantity as the Committee think fit, but not exceeding such an amount as appears to the Committee to be equivalent to the average amount of duty paid in respect of material of that class or description;
- (d) may provide for the allowance of drawback for any period specified in the scheme, or without any limit of period.
- (3) The Committee may at any time recommend such amendments of any scheme in force under this section as they think fit, and the Treasury may by order approve any amendment so recommended and thereupon the scheme shall have effect as so amended.
- (4) Drawback shall only be allowed under this section in respect of such quantity of material as is shown to the satisfaction of the Commissioners of Customs and Excise to be duty-paid.
- (5) The Commissioners of Customs and Excise may make rules requiring persons who have been concerned at any stage with goods in the case of which drawback is claimed under any such scheme, to furnish such information as may be reasonably necessary to enable the Commissioners to determine whether duty has been paid on the material in respect of which the claim is made, and to produce any books of account or other documents of whatever nature relating to that material, and in particular such rules may provide that—
- (a) a certificate signed by the proper officer of Customs and Excise to the effect that duty has been paid on a specified quantity of material; and
- (b) a statement, signed by the manufacturer of the goods in the case of which drawback is claimed that the material to which the certificate relates has been used in the manufacture of those goods;
- may be accepted by the Commissioners as sufficient evidence that duty has been paid on such quantity of material so used as is specified in the certificate.
- (6) If any person contravenes or fails to comply with any such rules, he shall in respect of each offence be liable to a customs penalty of fifty pounds.
- (7) Any order made by the Treasury under this section, together with the scheme or amendment thereby approved, shall be laid before the Commons House of Parliament as soon as may be after it is made, and subsections (3) and (4) of section nineteen of the Import Duties Act, 1932, shall apply as if the order had been made under that Act, and in this section the expression " appropriate Department " has the same meaning as in that Act.
- (8) Where goods are brought into any such registered shipbuilding yard as is mentioned in section eleven of the Import Duties Act, 1932, from any other part of the United Kingdom, the Commissioners of Customs and Excise may, subject to such conditions as are mentioned in subsection (1) of the said section eleven, treat the goods for the purpose of the provisions of this section as if they had been exported from the United Kingdom.

10 Exemption of certain machinery from duties under 22 and 23 Geo. 5. c. 8

- (1) If, in any case where it is proposed to import into the United Kingdom any consignment of machinery of a class or description to which this section applies, the Import Duties Advisory Committee are satisfied that machinery similar to that consignment is not for the time being procurable in the United Kingdom, and are of opinion that, having regard to all the circumstances, it is expedient that the consignment should be allowed to be imported without payment of all or any of the duties chargeable under the Import Duties Act, 1932, the Committee may make a recommendation to the Treasury accordingly, and the Treasury, after consultation with the Board of Trade, may by licence authorise the importation of the consignment in accordance with the recommendation.
- (2) The Committee may at any time recommend that this section shall apply to any class or description of machinery, or shall cease to apply to any class or description of machinery to which it previously applied, and where any such recommendation is approved by the Treasury, this section shall apply or cease to apply accordingly.

11 Penalty on misdescribing liquor as spirits

- (1) The following provisions of this section shall have effect for the protection of the revenue arising from the customs and excise duties on spirits.
- (2) If any person—
 - (a) for the purpose of selling any liquor, describes the liquor (whether in any notice or advertisement, or on any label or wrapper, or in any other manner whatsoever) by any name or words which is or are calculated to indicate that the liquor is, or is a substitute for, or bears any resemblance to, any description of spirits, or that the liquor is wine fortified or mixed with spirits or any description of spirits; or
 - (b) sells, offers for sale, or has in his possession for the purpose of sale, any liquor so described,

that person shall be guilty of an offence under this section, unless he proves that either the customs duty or the excise duty chargeable on spirits has been paid in respect of not less than ninety-seven and one-half per cent. of the liquor:

Provided that a person shall not be guilty of an offence under this section by reason only that he has, at some time between the commencement of this Act and the first day of October, nineteen hundred and thirty-two, described any liquor by any such name or words as aforesaid either on, or on a label affixed to, the container of the liquor, or the wrapper, or other covering, or partial covering, of the container, or sold, offered for sale, or had in his possession for the purpose of sale any liquor so described, if he proves that containers, labels, wrappers, coverings, or partial coverings, identical in all respects (including the name or words thereon) with the container, label, wrapper, covering, or partial covering used in the case in question were in use before the fourth day of May, nineteen hundred and thirty-two, for the purpose of describing the liquor.

- (3) Where before the commencement of this Act liquor has been sold or offered for sale under any name which was used in association with a description calculated to give any such indication as aforesaid, that name or any similar name shall (subject to the provisions of the next following subsection) be deemed for the purposes of this section to be calculated to give that indication.
- (4) Notwithstanding anything in this section—

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- (a) the name " port " or " sherry " or the name of any other description of genuine wine; or
- (b) a name which before the fourth day of May, nineteen hundred and thirty-two, was used to describe a liquor containing vermouth and spirits, the quantity of vermouth being not less than the quantity of spirits computed at proof;

shall not, for the purposes of this section, be treated as being in itself calculated to give such an indication as aforesaid, whether it was or was not before the commencement of this Act used in association with a description calculated to give any such indication, and a person who has sold, offered for sale, or had in his possession for the purpose of sale any liquor described only by any such name as is mentioned in paragraph (a) of this subsection shall not be guilty of an offence under this section by reason that the liquor has been described by some other person (not being the agent or servant of the first-mentioned person) by that name in association with some other description calculated to give such an indication as aforesaid.

- (5) Any person guilty of an offence under this section shall, in respect of each offence, be liable on summary conviction to a fine not exceeding one hundred pounds, and, on the conviction of a person under this section, the court may direct that any liquor and other articles by means of or in relation to which the offence has been committed shall be forfeited, and any liquor or other article so directed to be forfeited shall be destroyed or otherwise disposed of as the court may direct.
- (6) Nothing in this section shall apply to any liquor which is prepared on any premises (being premises in respect of which a licence is in force authorising the sale of intoxicating liquor for consumption on the premises) for immediate consumption thereon or is prepared in any registered club for immediate consumption in the club.

12 Penalty on misdescribing substances as beer

- (1) The following provisions of this section shall have effect for the protection of the revenue arising from the customs and excise duties on beer.
- (2) If any person—
 - (a) for the purpose of selling any substance, describes the substance (whether in any notice or advertisement, or on any label, or in any other manner whatsoever) by any name or words which is or are calculated to indicate that the substance is, or is a substitute for, or bears any resemblance to, ale, beer, porter, or stout, or any description of ale, beer, porter, or stout; or
 - (b) sells, offers for sale, or has in his possession for the purpose of sale, any substance so described;

that person shall be guilty of an offence under this section unless he proves that either the customs duty or the excise duty chargeable on beer has been paid in respect of the whole of the substance:

Provided that a person shall not be guilty of an offence under this section by reason only that he has, at some time between the commencement of this Act and the first day of October, nineteen hundred and thirty-two, described any substance by any such name or words as aforesaid either on, or on a label affixed to, the container of the substance or the wrapper or other covering or partial covering of the container, or sold, offered for sale, or had in his possession for the purpose of sale any substance so described if he proves that containers, labels, wrappers, coverings, or partial coverings identical in all respects (including the name or words thereon) with the container, label, wrapper, covering, or partial covering used in the case in question were in use before

the eighth day of June, nineteen hundred and thirty-two, for the purpose of describing the substance.

- (3) For the purposes of this section the name " ginger beer " or " ginger ale " shall not in itself be taken to be calculated to give any such indication as aforesaid.
- (4) Any person guilty of an offence under this section shall, in respect of each offence, be liable on summary conviction to a fine not exceeding one hundred pounds, and, on the conviction of a person under this section, the court may order that any articles by means of or in relation to which the offence has been committed, shall be forfeited, and any articles so directed to be forfeited shall be destroyed or otherwise disposed of as the court may direct.

13 Amendment in respect of duties for licences on motor bicycles

As from the first day of January, nineteen hundred and thirty-three, the Second Schedule to the Finance Act, 1920, shall be amended by the substitution in paragraph 1 thereof, of the words—

	“£	s.	d.
Bicycles :			
Where the cylinder capacity of the engine thereof—			
(a) does not exceed 150 cubic centimetres	0	15	0
(b) exceeds 150 cubic centimetres but does not exceed 250 cubic centimetres	1	10	0
(c) exceeds 250 cubic centimetres	3	0	0””
	“£	s.	d.
(a) If the cylinder capacity of the engine thereof does not exceed 150 cubic centimetres	0	15	0
(b) In other cases—			
Not exceeding 224 lbs. in weight unladen	1	10	0
Exceeding 224 lbs. in weight unladen	3	0	0”

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“Provided that the duty in respect of a bicycle, the weight of which unladen does not exceed 224 lbs, shall, if the bicycle is one in respect of which a licence was taken out before the first day of January, nineteen hundred and thirty-three, continue, notwithstanding that the cylinder capacity of the engine thereof exceeds 250 cubic centimetres, to be chargeable at the rate payable before the first day of January, nineteen hundred and thirty-three.”

14 Effect for purpose of s. 14 of 12 and 13 Geo. 5 c. 17 of change of user, and c, of mechanically propelled vehicles

Where a licence has been taken out for a mechanically propelled vehicle of a certain class or description, duty at a higher rate applicable to mechanically propelled vehicles of some other class or description shall not by virtue of section fourteen of the Finance Act, 1922, become chargeable in respect of the said licence by reason of any such user of the vehicle as is mentioned in the said section fourteen, unless the vehicle as used while the said licence is in force satisfies all the conditions which must be satisfied in order to bring a vehicle, for the purpose of the charge of duty under the Second Schedule to the Finance Act, 1920, into the said other class or description of vehicles.