



Finance Act 1949

1949 CHAPTER 47

PART I

CUSTOMS AND EXCISE

1 Tea

- (1) The duties of customs chargeable under section one of the Finance Act, 1936, on tea shall cease to be chargeable, but in lieu thereof there shall, in the case of tea imported into the United Kingdom and not being an Empire product within the meaning of subsection (1) of section eight of the Finance Act, 1919, be charged a duty of customs at the rate of twopence the pound.
- (2) Section fourteen of the Finance Act, 1924 (which, as amended by section twelve of the Finance Act, 1925, makes provision for the allowance of drawback on the exportation or shipment as stores of certain blended tea) shall extend to blended tea prepared wholly or partly from tea in respect of which the customs duty chargeable under this section has been paid.
- (3) This section shall be deemed to have had effect as from the seventh day of April, nineteen hundred and forty-nine.

2 Reduction of duties on beer

- (1) Section one of the Finance (No. 2) Act, 1939 (which imposes duties of excise and customs in respect of beer and provides for drawbacks from those duties), shall have effect as if the First Schedule to this Act were substituted for the First Schedule to that Act:

Provided that this section shall not apply to reduce any drawback in respect of beer as to which it is shown to the satisfaction of the Commissioners that duty was paid at the rate in force before the coming into force of this section.

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

3 Continuation of duties on hops, etc., and beer

- (1) The duties charged by virtue of subsection (1) of section one of the Finance Act, 1945, until the end of the fifteenth day of August, nineteen hundred and forty-nine, namely—
 - (a) the duties of customs charged on hops and extracts, essences or other similar preparations made from hops under subsection (1) of section seven of the Finance Act, 1925; and
 - (b) the duty of customs charged on hop oil under the proviso to subsection (1) of section four of the Finance Act, 1929; and
 - (c) the additional duty of customs charged in respect of beer under subsection (2) of section two of the Finance Act, 1933,shall continue to be charged until the end of the fifteenth day of August, nineteen hundred and fifty-three.
- (2) The drawback allowed by virtue of subsection (2) of section one of the Finance Act, 1945, until the end of the fifteenth day of November, nineteen hundred and forty-nine, namely, the additional excise drawback allowed in respect of beer under subsection (4) of section two of the Finance Act, 1933, shall continue to be allowed until the end of the fifteenth day of November, nineteen hundred and fifty-three.

4 Wines

- (1) In lieu of the duties of customs charged on wines under section three of the Finance (No. 2) Act, 1939, there shall (subject to the next following subsection) be charged on wines imported into the United Kingdom duties of customs at the rates set out in the Second Schedule to this Act, the rates specified in the second column thereof applying to wines which are not Empire products and those specified in the third column to wines which are.
- (2) If at any time the Treasury are satisfied that an increase of a shilling in each of the rates specified in the said Second Schedule for light wines which are Empire products would not contravene any of the Ottawa agreements for the time being in force they shall by order increase those rates by a shilling, but shall revoke the order on being satisfied at any time that the increase does contravene one of those agreements; and those rates shall also be increased by a shilling in the case of wines produced or manufactured in a country the Government of which is a party to one of the Ottawa agreements at any time when that agreement is not in force.
- (3) Subsection (2) of section eight of the Customs and Inland Revenue Act, 1890 (which provides that wine rendered sparkling in warehouse is to be deemed to be sparkling wine for the purpose of certain duties charged on sparkling wine), shall apply for the purpose of the duties charged on sparkling wine by this section as it applied for the purpose of the duty mentioned in that subsection.
- (4) For the purposes of this section—
 - (a) the expression " Empire product " has the same meaning as in subsection (1) of section eight of the Finance Act, 1919;
 - (b) the expression " Ottawa agreement " means an agreement scheduled to the Ottawa Agreements Act, 1932, as for the time being varied by mutual consent;
 - (c) the expression " wine " includes the lees of wine.
- (5) This section shall be deemed to have had effect as from the seventh day of April, nineteen hundred and forty-nine.

5 Sweets

- (1) The duty of excise on sweets charged under section six of the Finance Act, 1927, shall be charged at the rates specified in the Third Schedule to this Act instead of at the rates specified in the Fifth Schedule to the Finance Act, 1948.
- (2) This section shall be deemed to have had effect as from the seventh day of April, nineteen hundred and forty-nine.

6 Sugar

- (1) As respects sugar, molasses and glucose, the rates of the duties of customs and excise, of the preferential reduction under section eight of the Finance Act, 1925 (which relates to Empire products), and of any drawback of those duties under subsection (2) of section four of the Finance Act, 1928, shall be those applicable immediately after the passing of the Finance Act, 1934; and any certificate issued under section one of the last mentioned Act (which relates to certificated colonial sugar) shall have effect accordingly.
- (2) Accordingly those rates, and the rates of the duties and reduction in the case of saccharin, shall be as set out in the Fourth Schedule to this Act (which is to be construed in accordance with paragraph 9 of Part III of the Second Schedule to the said Act of 1928).
- (3) For the purposes of section seven of the Finance Act, 1926 (which provides for stabilising imperial preference as at the first day of July, nineteen hundred and twenty-six), the rates specified in Part I of the said Schedule shall be deemed to have been the rates in force immediately before that day.
- (4) Any reduction effected by this section in the rates of any drawbacks shall not have effect in relation to any goods as respects which it is shown to the satisfaction of the Commissioners that duty was paid at the rates in force before the commencement of this section.
- (5) This section shall be deemed to have had effect as from five o'clock in the evening of the sixth day of April, nineteen hundred and forty-nine.

7 Matches

- (1) In lieu of the duties of customs charged on matches under section four of the Finance Act, 1940, there shall be charged on matches imported into the United Kingdom duties of customs at the rates specified in Part I of the Fifth Schedule to this Act.
- (2) In lieu of the duties of excise charged on matches under the said section four there shall be charged on matches manufactured in the United Kingdom duties of excise at the rates specified in Part II of the Fifth Schedule to this Act.
- (3) Subsections (4) and (5) of section three of the Finance (New Duties) Act, 1916 (which made supplemental provision for the purpose of the duties under that section), shall apply for the purpose of all duties of customs or excise from time to time charged on matches.
- (4) This section shall be deemed to have had effect as from the seventh day of April, nineteen hundred and forty-nine.

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

8 Mechanical lighters

- (1) The duty of customs charged under section six of the Finance Act, 1928, on the importation into the United Kingdom of any mechanical lighter and of any component part of a mechanical lighter other than a flint shall (instead of being charged at the rate directed by section five of the Finance Act, 1940) be charged at the rate of seven shillings or, in the case of a gas lighter or component part of a gas lighter, at the rate of five shillings.
- (2) The duty of excise charged under the said section six on every mechanical lighter manufactured in the United Kingdom which is complete, or which could be made complete by the addition of a flint, and on every mechanical lighter sent out in an incomplete state from the premises of a manufacturer of mechanical lighters, shall (instead of being charged at the rate directed by section five of the Finance Act, 1940) be charged at the rate of six shillings or, in the case of a gas lighter, at the rate of four shillings.
- (3) References in this section to a gas lighter or to a component part of a gas lighter are to be taken as referring to a mechanical lighter or part, as the case may be, which is shown to the satisfaction of the Commissioners to be constructed solely for the purpose of igniting gas for domestic use.
- (4) This section shall be deemed to have had effect as from the seventh day of April, nineteen hundred and forty-nine.

9 Amendment of rates of entertainments duty

- (1) As respects payments for admission to entertainments held on or after the thirty-first day of July, nineteen hundred and forty-nine, Part II of the Fifth Schedule to the Finance Act, 1943 (which sets out the full rates of entertainments duty), shall have effect, and be deemed always to have had effect, subject to the following amendments:—
 - (a) the eightpenny halfpenny rate of duty shall apply only where the amount of the payment referred to in the first column of the Schedule exceeds elevenpence and does not exceed one shilling and a halfpenny (instead of where it exceeds tenpence halfpenny and does not exceed one shilling and a halfpenny); and
 - (b) instead of a sevenpenny halfpenny rate applying where that amount exceeds eightpence three-farthings and does not exceed tenpence halfpenny there shall be—
 - (i) a sevenpenny rate, to apply where that amount exceeds tenpence and does not exceed elevenpence; and
 - (ii) a fivepenny rate, to apply where that amount exceeds eightpence three-farthings and does not exceed tenpence.
- (2) Where entertainments duty has been charged on any payment made before the said thirty-first day of July, and by virtue of this section the duty should have been charged at a lower rate than that at which it was in fact charged, the person by whom the duty was paid shall be entitled to repayment of the amount of the overcharge.

10 Exemption from entertainments duty of amateur entertainments

- (1) Entertainments duty within the meaning of section one of the Finance (New Duties) Act, 1916, shall not be charged on payments for admission to any entertainment which

is held on or after the thirty-first day of July, nineteen hundred and forty-nine, and consists of one or more of the following items, that is to say—

- (a) a stage play ;
- (b) a ballet (whether a stage play or not);
- (c) a performance of music (whether vocal or instrumental);
- (d) a lecture;
- (e) a recitation;
- (f) an eisteddfod;

where the Commissioners are satisfied that the entertainment is provided by a society, institution or committee which is not conducted or established for profit and that the entertainment is an amateur one.

- (2) For the purposes of this section an entertainment shall not be deemed to be an amateur one if any payment is made or reward given for the appearance of any of the performers whose words or actions constitute the entertainment or any part of it, or for any person's services in connection with the entertainment as instructor, producer, manager or conductor or in any advisory capacity.
- (3) This section shall be deemed always to have had effect and where entertainments duty has been charged on any payment made before the said thirty-first day of July, being a payment which by virtue of this section is not chargeable with duty, the person by whom the duty was paid shall be entitled to repayment of the amount of the duty.

11 Extension of relief from entertainments duty for rural entertainments

- (1) As respects payments for admission to entertainments held on or after the first day of May, nineteen hundred and forty-nine, the exemption from entertainments duty conferred by section seventeen of the Finance Act, 1948, shall be, and be deemed always to have been, extended by the substitution in subsection (1) of that section for the words " a population not exceeding sixty-four to the square mile " of the words " a population not exceeding six hundred and forty to the square mile."
- (2) Where entertainments duty has been charged on any payment made before the said first day of May, being a payment which by virtue of this section is not chargeable with duty, the person by whom the duty was paid shall be entitled to repayment of the amount of the duty.

12 Pool betting duty

The amount of the pool betting duty on a bet made at any time by reference to an event taking place on or after the ninth day of April, nineteen hundred and forty-nine, shall be, and be deemed always to have been, one half as much again as if this section had not been passed, except in the case of a bet exempted under section fourteen of the Finance Act, 1948, from the increase under that section as being made by means of a totalisator set up on a dog racecourse.

13 Duration of dog licences

Any licence taken out under the Dog Licences Act, 1867, after the beginning of the year nineteen hundred and fifty shall be in force from the time it is taken out until the expiration of the period of twelve months beginning with the first day of the month in which it is taken out:

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Provided that this section shall not be taken as preventing the licence from being suspended under the Protection of Animals (Cruelty to Dogs) Act, 1933, or the Protection of Animals (Cruelty to Dogs) (Scotland) Act, 1934.

14 Abolition of excise duties on licences for appraisers, auctioneers, house agents and plate dealers

The enactments specified in Part I of the Eleventh Schedule to this Act (which relate to excise duties on licences for appraisers, auctioneers, house agents and dealers in plate) shall, to the extent mentioned in the third column of that Schedule, be deemed never to have had effect as respects licences for any period after the fifth day of July, nineteen hundred and forty-nine.

15 Transfer of duties on certain excise licences to county councils

- (1) Subject to the provisions of this section, there shall be transferred to county and county borough councils the power to levy the duties on the following licences, namely—
- (a) hawkers' licences under the Hawkers Act, 1888 ;
 - (b) moneylenders' licences under the Moneylenders Act, 1927;
 - (c) pawnbrokers' licences under the Pawnbrokers Act, 1872 ;
 - (d) licences to keep refreshment houses under the Refreshment, Houses Act, 1860.

- (2) Subject to the provisions of this section, a county or county borough council and their officers shall have within their area, for the purpose of levying the duties transferred, the same powers, duties and liabilities as the Commissioners and their officers have with respect to those duties and to the issue and cancellation of licences on which those duties are imposed and to other matters under the enactments relating to those duties and licences, and the said enactments shall apply accordingly:

Provided that—

- (a) all penalties and forfeitures recovered by a council in pursuance of this section shall, instead of being paid to the Exchequer, be retained by the council;
 - (b) the power given by the said enactments to the Treasury for the mitigation or remission of any penalty or any part thereof shall, as respects the said duties and licences, be exercisable by the council;
 - (c) nothing in this section shall confer on a council any special privileges of the Crown as respects legal proceedings.
- (3) Any grant or renewal of a licence by a county or county borough council under this section for the purposes of the Hawkers Act, 1888, or the Pawnbrokers Act, 1872, shall be in force for a year from the date on which it takes effect (subject to any provision for its determination otherwise than by lapse of time).
- (4) The duty on a licence granted by a county or county borough council to keep a refreshment house shall be one guinea in all cases, and the annual rate of abatement under section nine of the Revenue (No. 2) Act, 1861, on taking out the wine licence there mentioned shall be seventeen shillings and ten-pence in all cases ; and any provision of the said section as to a less duty or rate of abatement where the house and premises are under the rent and value of thirty pounds a year shall accordingly not apply in relation to a licence so granted.

- (5) Any hawker's licence issued by a county or county borough council under this section shall have effect throughout Great Britain.
- (6) The transfer of any of the said duties under this section shall take effect on such day as the Treasury may by order appoint.
- (7) Any order under this section may make such provision as appears to the Treasury to be necessary or expedient to give full effect to the transfer of the duties to which it relates, including provision—
 - (a) for exceptions and modifications in the enactments relating to the duties and licences in the application of those enactments to county and county borough councils and their officers;
 - (b) for the issue of licences at such places and through such persons as may be determined by or under the order.
- (8) Any order under this section shall be made by statutory instrument, and so far as it makes any such provision as is mentioned in the last foregoing subsection may be varied or revoked by a subsequent order thereunder.
- (9) In the application of this section to Scotland—
 - (a) for any reference to a county borough council there shall be substituted a reference to the town council of a large burgh within the meaning of the Local Government (Scotland) Act, 1947, and any burgh other than as aforesaid shall be included in the county in which it is situated ; and
 - (b) references to licences to keep refreshment houses shall not apply.

16 Remission of customs duties on certain aircraft and parts and equipment therefor

- (1) Subject to the following subsections, the Treasury may direct that duty shall not be chargeable under the Import Duties Act, 1932, or the Safeguarding of Industries Act, 1921, on the importation into the United Kingdom of any aircraft or aircraft parts or equipment to which this section applies.
- (2) The aircraft and aircraft parts and equipment to which this section applies are any aircraft of wing span greater than one hundred and twenty feet and any spare part or equipment for incorporation in or use on such an aircraft, as respects which the Treasury are satisfied—
 - (a) in the case of any aircraft that it is to be used in maintaining overseas services; and
 - (b) in the case of any spare part or equipment that it is required for an aircraft manufactured outside the United Kingdom and used or to be used as aforesaid.
- (3) The Treasury shall not exercise the powers conferred by this section except on the recommendation of the Board of Trade and on being satisfied that it is in the national interest that the duty should not be chargeable, and any directions of the Treasury under this section may be given subject to such conditions as they think fit for restricting the use or disposal of the aircraft, aircraft parts or equipment and for enabling the Board of Trade to satisfy themselves that the conditions are complied with.
- (4) The said powers shall also not be exercised except on an application made by the importer before delivery to him of the aircraft or aircraft parts or equipment.

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- (5) An application under the last foregoing subsection shall be made in writing and in accordance with such directions, if any, as may be given by the Treasury,
- (6) Where any aircraft or aircraft parts or equipment are imported without payment of duty by virtue of directions of the Treasury under this section, and any conditions attached to the directions are not complied with, then (without prejudice to any liability for duty) the aircraft or aircraft parts or equipment shall be forfeited.

17 Continuation of relief for vehicles fitted with to Wing contrivances

Section ten of the Finance Act, 1943 (which provides for disregarding the weight of towing contrivances in determining the duty on certain mechanically propelled vehicles charged according to their weight and which is terminable by Order in Council), is made permanent.

PART II

INCOME TAX

18 Charge of income tax for 1949-50

- (1) Income tax for the year 1949-50 shall be charged at the standard rate of nine shillings in the pound, and, in the case of an individual whose total income exceeds two thousand pounds, at such higher rates in respect of the excess over two thousand pounds as Parliament may hereafter determine.
- (2) Subject to the provisions of any Act of the present Session relating to war damage or superannuation, and to any enactment which has effect only after the end of the year 1948-49, all such enactments as had effect with respect to the income tax charged for that year, other than enactments which by their terms relate only to tax for that year, shall have effect with respect to the income tax charged for the year 1949-50.

19 Higher rates of income tax for 1948-49

Income tax for the year 1948-49 shall be charged, in the case of an individual whose total income exceeded two thousand pounds, at the same higher rates in respect of the excess over two thousand pounds as were charged for the year 1947-48.

20 Increase in initial allowances, etc., in respect of machinery or plant, etc.

- (1) In relation to expenditure incurred on or after the sixth day of April, nineteen hundred and forty-nine, section fifteen of the Income Tax Act, 1945 (which provides for initial allowances in the case of expenditure on the provision of machinery or plant) shall have effect as if for the words " equal to one-fifth of the expenditure " there were substituted the words " equal to two-fifths of the expenditure ".
- (2) In relation to expenditure incurred on or after the said sixth day of April, section twenty-eight of the Finance Act, 1944 (which provides for allowances for capital expenditure on scientific research) shall have effect as if, in subsection (1) thereof, for the words " a deduction equal to one-fifth of the expenditure shall be allowed in charging the profits or gains of the trade for each of the five years of assessment

mentioned in the succeeding provisions of this section " there were substituted the words " a deduction equal to three-fifths of the expenditure shall be allowed in charging the profits or gains of the trade for the first of the five years of assessment mentioned in the succeeding provisions of this section and a deduction equal to one-tenth of the expenditure shall be allowed in charging the profits or gains of the trade for each of the remaining four of the said five years ".

- (3) Section thirty-four of the Finance Act, 1946 (which relates to the initial allowance which is to be made in certain cases where the buyer and the seller of machinery or plant are under the same control) shall, in a case in which subsection (1) of this section applied to the initial allowance made to the seller, have effect as if for the words " four-fifths " in paragraph (d) of subsection (2) and paragraph (a) of subsection (3) thereof there were substituted the words " three-fifths ".
- (4) Where there is a contract for the sale of a ship and either—
- (a) the price becomes payable before the sixth day of April, nineteen hundred and forty-nine, but the ship is delivered in performance of the contract on or after that date; or
 - (b) the price is payable in instalments, some of which are payable before that date, and some of which are payable on or after that date,

so much of the price as becomes payable before that date shall for the purposes of the provisions of the Income Tax Acts relating to initial allowances be deemed to have become payable on that date:

Provided that where—

- (i) an initial allowance falls to be made by virtue of this subsection in respect of the price or any part thereof for any year of assessment; and
- (ii) an initial allowance in respect of the price or, as the case may be, that part of the price, has been given, or, apart from this subsection, falls to be given, for a year of assessment earlier than that year,

the allowance given or to be given for that earlier year shall not be affected by the provisions of this subsection but the amount of the allowance to be given by virtue of this subsection shall be correspondingly reduced.

21 Miscellaneous provisions as to allowances in respect of machinery or plant

- (1) The provisions of Parts I, II and III of the Sixth Schedule to this Act, being—
- (a) as to Part I, provisions designed to secure that the amount of any annual allowance in respect of machinery or plant shall, instead of being, or being five-fourths, of, an amount considered by the Commissioners having jurisdiction in the matter to be just and reasonable, be an amount arrived at in accordance with the provisions of the said Part I;
 - (b) as to Part II, provisions effecting miscellaneous amendments in relation to initial allowances, annual allowances, balancing allowances, and balancing charges in respect of machinery or plant; and
 - (c) as to Part III, special provisions applicable to annual allowances in respect of machinery or plant for the years 1947-48 and 1948-49,
- shall have effect in relation to the matters therein mentioned.
- (2) In this section and the said Sixth Schedule, the expression " annual allowance " means an allowance or deduction under Rule 6 of the Rules applicable to Cases I and II of Schedule D or under section twenty of the Income Tax Act, 1945, and so much

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of Part VIII of that Act as requires expressions and references to be construed in a particular manner shall have effect in relation to expressions and references in this section, and, save as otherwise provided therein, in the said Sixth Schedule, as if they were contained in that Act.

22 Annual allowances, etc., for overseas mineral rights

- (1) Subject to the provisions of this section, capital expenditure incurred by any person in connection with the working of a mine, oil well or other source of mineral deposits of a wasting nature outside the United Kingdom, being expenditure on the acquisition of, or of rights in or over, the deposits, shall, notwithstanding anything in section twenty-five of the Income Tax Act, 1945, be expenditure to which Part III of that Act applies, and that Act shall have effect accordingly.
- (2) In relation to expenditure to which subsection (1) of this section applies—
- (a) the references in the Income Tax Act, 1945, to the appointed day shall be deemed to be references to the sixth day of April, nineteen hundred and forty-nine ;
 - (b) Part III of the First Schedule to that Act shall not apply;
 - (c) references in Part II of that Schedule to the expenditure to which Part III of that Act applies shall not include references to expenditure to which Part III of that Act applies otherwise than by virtue of this section; and
 - (d) in applying sub-paragraph (b) of paragraph 5 of the said Part II, output before the trader acquired the source shall be left out of account.
- (3) Where—
- (a) on or after the appointed day, a person incurs expenditure to which subsection (1) of this section applies on acquiring any deposits or rights ; and
 - (b) those deposits or rights had previously been acquired (whether before, on or after the appointed day) by some other person, being, or being a body corporate or partnership under the control of, a person resident in the United Kingdom; and
 - (c) the case is not one to which subsection (7) of section twenty-eight of the Income Tax Act, 1945 (which relates to sales of sources and parts of sources as going concerns) applies,

the said expenditure of the first-mentioned person shall be left out of account for the purposes of Part III of that Act so far as it exceeds the capital expenditure incurred by the said other person in acquiring the deposits or rights:

Provided that where the source in question, or the relevant part thereof, has been worked between the dates of the two acquisitions, the said capital expenditure of the said other person shall be treated for the purposes of this subsection as reduced so as to bear to the full amount thereof the same proportion as the total potential future output from the source or part, estimated as at the later of those dates, bears to the said total potential future output plus the actual output from the source or part between those dates.

- (4) Where—
- (a) before the appointed day, a person incurs expenditure to which subsection (1) of this section applies on acquiring any deposits or rights ; and

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- (b) those deposits or rights had previously been acquired by some other person, being, or being a body corporate or partnership under the control of, a person resident in the United Kingdom,

that expenditure shall, in arriving at the expenditure which, under subsection (4) of section twenty-seven of the Income Tax Act, 1945, the first-mentioned person is to be treated as having incurred on the appointed day, be left out of account so far as it exceeds the capital expenditure incurred by the said other person in acquiring the deposits or rights:

Provided that where the source in question or the relevant part thereof has been worked between the dates of the two acquisitions, the capital expenditure of the said other person on acquiring the deposits or rights shall be treated for the purposes of this subsection as reduced so as to bear to the full amount thereof the same proportion as the actual total output from the source or part from the later of those dates to the appointed day plus the total potential future output from the source or part, estimated as at the appointed day, bears to the actual total output from the source or part from the earlier of those dates up to the appointed day plus the said total potential future output.

- (5) In the cases specified in this subsection, the two last preceding subsections shall have effect subject to the following provisions, that is to say—
 - (a) if there is more than one such other person as is therein mentioned (that is to say, more than one person who, being, or being a body corporate or partnership under the control of, a person resident in the United Kingdom, previously acquired the deposits or rights in question), regard shall be had only to that one of those other persons who first acquired the deposits or rights;
 - (b) where any such other person as aforesaid carried on a trade which consisted of or included the buying and selling of, or of rights in or over, mineral deposits, references to capital expenditure shall, in relation to him, be deemed to include expenditure which would have been capital expenditure if his trade had been the working of the deposits or rights in question and had not included such buying and selling as aforesaid;
 - (c) in computing the expenditure of any such other person, liabilities undertaken by him which, in connection with the disposal by him of the deposits or rights in question, have been taken over by some other person may, notwithstanding anything in subsection (2) of section sixty-four of the Income Tax Act, 1945, be taken into account.
- (6) References in this section to expenditure on the acquisition of deposits or rights shall not in any event include—
 - (a) expenditure which, apart from this section, is, within the meaning of section twenty-five of the Income Tax Act, 1945, expenditure to which Part III of that Act applies; or
 - (b) expenditure on machinery or plant, or on any asset which has been treated for any year of assessment as machinery or plant; or
 - (c) expenditure on any building or structure.
- (7) References in this section to capital expenditure include references to any payments of minimum royalties or dead rents, or any other similar payments, being payments of royalties or rents or other payments which cannot be taken into account as deductions in computing profits or gains for income tax purposes by reason of the fact that no trade, or no relevant trade, was being carried on at the relevant time by the person making the payments.

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- (8) In no case shall the amount on which a balancing charge is made upon a person be increased by virtue of the provisions of this section by more than the total amount by which annual allowances made to that person are increased by virtue thereof.
- (9) This section shall be construed as if it were contained in Part III of the Income Tax Act, 1945, and the reference in subsection (1) of section fifty-eight of that Act to expenditure incurred on the provision of the purchase of property shall, in relation to this section, be deemed to include a reference to expenditure on the acquisition of, or of rights in or over, mineral deposits.

23 Interest payable abroad to be deductible in computing profits in certain cases

- (1) Subject to the provisions of this section, in computing under the Rules applicable to Cases I and II of Schedule D the profits or gains of, or the loss sustained in, a trade carried on by a person residing in the United Kingdom, annual interest in the case of which all the following conditions are fulfilled, that is to say—
- (a) that the liability to pay the interest was incurred exclusively for the purposes of the trade ;
 - (b) that the payment of the interest is secured mainly upon assets outside the United Kingdom which are employed in the trade and belong to the person by whom the trade is carried on ;
 - (c) that, under the terms of the contract under which the interest is payable, the interest is to be paid, or may be required to be paid, outside the United Kingdom ;
 - (d) that the interest is in fact paid outside the United Kingdom; and
 - (e) that the interest is paid to a person not resident in the United Kingdom and without any deduction of United Kingdom income tax,
- may be deducted notwithstanding anything in Rule 3 of those Rules.
- (2) This section shall not apply to any interest falling to be deducted from any income of the person carrying on the trade under Rule 1 of the Rules applicable to Case IV of Schedule D or under Rule 1 of the Rules applicable to Case V of that Schedule.
- (3) Where the trade is carried on by a partnership, this section shall not apply to any interest which is payable to any of the partners or is payable in respect of the share of any partner in the partnership capital.
- (4) This section shall not apply where—
- (a) the trade is carried on by a body of persons over whom the person entitled to the interest has control; or
 - (b) the person entitled to the interest is a body of persons over whom the person carrying on the trade has control; or
 - (c) the person carrying on the trade and the person entitled to the interest are both bodies of persons, and some other person has control over both of them. In this subsection, the references to a body of persons include references to a partnership, and the expression "control" has the meaning assigned to it by subsection (1) of section sixty-eight of the Income Tax Act, 1945.

24 Amendment of Finance Act, 1946, s. 27

- (1) Subsection (2) of section twenty-seven of the Finance Act, 1946 (which charges to income tax payments of benefit under the National Insurance Act, as defined in

that section) shall not apply to unemployment benefit, sickness benefit or maternity benefit, and relief under subsection (1) of that section shall not, in the case of a contribution other than an employer's contribution, be given in respect of so much of the contribution as is referable to unemployment benefit, sickness benefit or maternity benefit.

- (2) The payments which, under the said subsection (2), are to be charged to income tax under Schedule E shall be deemed for all the purposes of the Income Tax Acts (and, in particular, for the purposes of the Income Tax (Employments) Act, 1943) to be emoluments chargeable under that Schedule.
- (3) Accordingly, the following amendments shall be made in the said section twenty-seven—
 - (a) in subsection (1), after the words " the National Insurance Act" there shall be inserted the words " except, in the case of a contribution other than an employer's contribution, so much thereof as is referable to unemployment benefit, sickness benefit or maternity benefit ";
 - (b) in subsection (2), for the words " maternity grant" there shall be substituted the words " unemployment benefit, sickness benefit, maternity benefit ", for the words " on the amounts thereof for the year of assessment and shall be deemed to be earned income for all the purposes of the Income Tax Acts " there shall be substituted the words " and shall be deemed for all the purposes of the Income Tax Acts to be emoluments chargeable under that Schedule and to be earned income " and the words " unless it is payable by way of unemployment benefit, sickness benefit or maternity allowance " shall be repealed ;
 - (c) in subsection (3) for the words " ' maternity allowance ', ' maternity grant' " there shall be substituted the words " ' maternity benefit ' "

25 Borrowings against life policies to be treated as income in certain cases

- (1) Where—
 - (a) under any contract or arrangements made on or after the seventh day of April, nineteen hundred and forty-nine, provision is made for the making to any person, at intervals until the happening of an event or contingency dependent on human life, of payments by way of loan ; and
 - (b) under the contract or arrangements, the loans are secured upon a policy of life assurance, which assures moneys payable on the happening of such an event or contingency and need not be repaid until the policy moneys become payable; and
 - (c) the amount of the moneys payable on the happening of the event or contingency is made by the policy to increase by reference to the length of a period ending on the happening thereof,the payments by way of loan shall be treated for all the purposes of the Income Tax Acts as annual payments falling within Case III of Schedule D, or, if they are made to a person residing in the United Kingdom and the contract or arrangements were made outside the United Kingdom, as income from a possession out of the United Kingdom falling within Rule 1 of Case V of Schedule D.
- (2) The amount of the moneys payable under a policy of life assurance shall not be deemed for the purposes of this section to be made to increase by reference to the length of a period ending on the happening of an event or contingency dependent on human life

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by reason only that those moneys are to increase from time to time if profits are made by the persons liable under the policy.

- (3) This section shall not apply to any payments by way of loan if the Commissioners of Inland Revenue are satisfied as respects those payments that it is not one of the objects of the contract or arrangements under which the payments are made that the recipient thereof should enjoy the advantages which would, apart from any question of liability to income tax, be enjoyed by a person in receipt of payments of the same amounts paid at the same times by way of annuity.

26 Amendment as to double taxation relief

Subsection (4) of section fifty-two of the Finance (No. 2) Act, 1945 (which requires any balance of tax deducted from annual payments payable out of dividends affected by double taxation relief to be assessed under Rule 21 of the General Rules and paid over to the Crown) shall have effect and be deemed always to have had effect as if, at the end of that subsection, there were added the following proviso—

“Provided that section nineteen of the Finance Act, 1928 (which enables the amount of an assessment under the said Rule 21 to be allowed in certain cases as a loss for certain purposes) shall not apply for the year 1949-50 or any subsequent year of assessment to any assessment made under the said Rule 21 by virtue of this subsection.”

PART III

DEATH DUTIES AND CORPORATION DUTY

27 Abolition of duties

- (1) Legacy duty and succession duty shall not be chargeable on a legacy derived from a testator or intestate dying after the commencement of this Part of this Act, or on a succession conferred after that commencement, nor on any other legacy or succession in so far as the duty would apart from this section be payable in connection with any such event as is mentioned in the next following subsection.
- (2) The events referred to in the foregoing subsection are any of the following events happening after the commencement of this Part of this Act, that is to say—
- (a) the death of any person ;
 - (b) the determination or failure of any charge, estate, interest or trust;
 - (c) the exercise of a power of appointment;
 - (d) the making of any payment or the application of any property, if the duty would apart from this section be chargeable—
 - (i) under section eleven of the Legacy Duty Act, 1796, or under that section as applied by section thirty-two of the Succession Duty Act, 1853 (which deal with benefits of uncertain amount receivable from time to time); or
 - (ii) under section twenty-five of the Succession Duty Act, 1853 (which deals with premiums for the renewal of a lease of the grant of a reversionary lease);

- (e) any other event which, under the provisions of the, relevant will or disposition or the rules governing the distribution of the intestate's estate, affects the right to the legacy or succession or to the enjoyment thereof or which changes the nature of the property comprised therein or any part of that property.
- (3) The reference in subsection (1) of this section to duty being payable in connection with an event shall, in relation to legacy duty, include its being payable when the legacy is paid, delivered, retained, satisfied or discharged in connection with that event, and for the purposes of this section the expression " legacy " includes residue and share of residue.
- (4) Where this section applies to the succession duty on a succession, it shall apply also to any temporary estate duty which would otherwise be chargeable thereon under section six of the Customs and Inland Revenue Act, 1889.

28 Increase in estate duty and modification of provisions related to legacy or succession duty

- (1) In the case of persons dying after the commencement of this Part of this Act, the scale set out in the Seventh Schedule to this Act shall be substituted for the scale set out in Part I of the Tenth Schedule to the Finance Act, 1946, as the scale of rates of estate duty, and the scale in accordance with which estate duty is to be charged on the agricultural value of agricultural property under section twenty-three of the Finance Act, 1925, shall (instead of being that referred to in that section) be the same scale as applies in other cases with a reduction of forty-five per cent. in each of the rates.
- (2) As respects property passing on the death of a person dying after the commencement of this Part of this Act, subsection (2) of section two of the Finance Act, 1894 (which exempts from estate duty property situate abroad and, not chargeable with legacy duty or succession duty), and section twenty-four of the Finance Act, 1936 (which restricts the exemption conferred by the said subsection (2)), shall not have effect; but that property shall be deemed for the' purposes of estate duty not to include any property passing on the death which is situate out of Great Britain if it is shown that the proper law regulating the devolution of the property so situate, or the disposition under or by reason of which it passes, is the law neither of England nor of Scotland and that one at least of the following conditions is satisfied, namely.—
 - (a) that the deceased did not die domiciled in any part of Great Britain;
 - (b) that the property so situate passes under or by reason of a disposition—
 - (i) made by a person who, at the date at which the disposition took effect, was domiciled elsewhere than in some part of Great Britain; and
 - (ii) not made, directly or indirectly, on behalf of, or at the expense of, or out of funds provided by, a person who at that date was domiciled in some part of Great Britain ;
 - (c) that the property so situate is, by the law of the country in which it is situate, immovable property;or if the property so situate passes only by virtue of paragraph (c) of subsection (1) of section two of the Finance Act, 1894, as having been the subject of a gift inter vivos and it is shown that one at least of the said conditions is satisfied.
- (3) In the case of persons dying after the commencement of this Part of this Act, the enactments relating to estate duty (including the provisions of section nine of the Finance Act, 1894, as to the charge of duty and the facilities for raising it) shall apply to lands and chattels so settled by Act of Parliament or royal grant that no one of

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the persons successively in possession thereof is capable of alienating the same as those enactments apply to other settled property, and subsection (5) of section five of the Finance Act, 1894 (which provides that estate duty on lands and chattels so settled shall be leviable on the successor's interest valued as for succession duty), shall accordingly not apply.

29 Allowance for, or repayment of, legacy or succession duty paid on capital of settled fund

(1) Where—

- (a) legacy duty or succession duty in respect of interests under a settlement has been satisfied by the payment (whether before or after the commencement of this Part of this Act) of the duty on the capital value of the settled property; and
- (b) estate duty becomes leviable on that property or any part thereof (hereafter in this section referred to as " the property passing ") by reason of its passing under the settlement on the death after that commencement of a person not competent to dispose of the property passing; and
- (c) the property passing has not previously passed as aforesaid;

then, subject to the provisions of this section, the estate duty on the property passing shall be payable at the reduced rate obtained by deducting from the rate at which it would be payable apart from this section the rate at which the legacy or succession duty was paid, or if the second of the two last mentioned rates is the higher shall be treated as satisfied.

- (2) Where by virtue of the foregoing subsection the estate duty which would otherwise be payable on the property passing is treated as satisfied, and the amount of that duty is less than the amount of the legacy or succession duty paid on the property passing, then subject to the following provisions of this section the Commissioners shall on a claim being made and on production of such evidence as they may require of the title of the claimant repay the difference between those amounts.
- (3) Any sums falling to be repaid under the last foregoing subsection shall be deemed to be an accretion, as at the date at which they become payable, to the fund out of which the legacy or succession duty was paid, and the persons entitled to the repayment shall be determined accordingly:

Provided that where that fund has been vested in a person or persons beneficially entitled thereto the repayment may be made to, or to the executors of, that person or (as the case may be) any of those persons for the benefit of those entitled to the repayment.

- (4) Where the property passing includes part only of the property on the capital value of which the legacy or succession duty was paid, the duty shall be apportioned for the purposes of subsection (2) of this section in such manner as the Commissioners think just.
- (5) Where on a death any of the property on the capital value of which the legacy or succession duty was paid is deemed to pass to a limited extent, the foregoing subsections shall apply (whether on that or a subsequent death) as if a proportionate part of that property had passed on the first mentioned death.
- (6) Any reference in this section to the rate at which the estate duty on the property passing would be payable apart from this section shall be taken as a reference to the rate per cent. representing the proportion which the amount of the duty (after allowing for any reduction or relief under any other enactment) bears to the principal value of the

property passing ; and any reference in this section to the rate at which legacy or succession duty was paid shall be taken as a reference to the rate per cent. representing the proportion which the total duty paid bore to the value on which it was paid.

30 Corporation duty (modification of provisions related to legacy or succession duty)

- (1) Section eleven of the Customs and Inland Revenue Act, 1885 (which imposes corporation duty on certain bodies whose property does not become liable to death duties), shall have effect as respects property acquired by a body corporate or unincorporate after the commencement of this Part of this Act with the substitution, for the exemption in paragraph (7) thereof for certain property on the acquisition of which legacy or succession duty was paid, of the following exemption:—

“(7) Property acquired by any body corporate or un-incorporate within a period of thirty years immediately preceding, if it was acquired under a testamentary gift (including a donatio mortis causa) or under a settlement within the meaning of Part I of the Finance Act, 1894, or otherwise in such circumstances that it passed or was deemed to pass on a death for purposes of estate duty.”

- (2) In the following provisions of the Customs and Inland Revenue Act, 1885, that is to say, paragraph (5) of the said section eleven, section twelve, section thirteen and section seventeen, for any reference to legacy duty or succession duty or to succession duty there shall be substituted a reference to estate duty, and in section nineteen of that Act (which applies for the purposes of corporation duty certain enactments relating to succession duty) for the words " in relation to succession duty under the law now in force " there shall be substituted the words " in relation to estate duty under the law for the time being in force ".

31 Exemption from estate duty of maintenance funds given to National Trust

- (1) Any exemption from estate duty conferred by section thirty-one of the Finance Act, 1937, in relation to an estate or interest in land given, devised or bequeathed by any person to the National Trust shall, in the case of duty leviable on or with reference to a death occurring after the commencement of this Part of this Act, be granted also, and to the like extent, to any other property given, devised or bequeathed by him with that estate or interest as a source of income for the upkeep of the land.

- (2) Property shall not be deemed for the purposes of this section to be given, devised or bequeathed with an estate or interest in land if either is subject to an interest or power of appointment created by the gift, devise or bequest to which the other is not subject:

Provided that for the purposes of this subsection any trust to apply income of the property for the upkeep of the land or in meeting liabilities or expenses accruing in respect of the land or the property (including a trust to accumulate income for any such purpose) shall be treated as creating the like interests in the property as may from time to time subsist in the land.

- (3) Where property given, devised or bequeathed with an estate or interest in land is in the opinion of the Commissioners more than enough to provide (with a reasonable margin) for the upkeep of the land out of the income of the property, so much only as is in their opinion enough for that purpose shall be deemed to be given, devised or bequeathed as mentioned in subsection (1) of this section.

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- (4) In this section the expression " National Trust" means the National Trust for Places of Historic Interest or Natural Beauty or, in relation to Scotland, the National Trust for Scotland for Places of Historic Interest or Natural Beauty.

32 Extension of relief on compulsory acquisitions

- (1) Where an interest in land is acquired as mentioned in subsection (1) of section fifty-seven of the Finance (No. 2) Act, 1945 (which gives partial relief from death duties on land subsequently acquired by government departments, local authorities, etc.), and the date of acquisition falls after the end of the period so mentioned but before the first day of January, nineteen hundred and fifty-four (being the terminal date for the provisions enacted in section fifty-two of the Planning Act to eliminate values attributable to vacant possession), then, subject to subsection (3) of this section, the said section fifty-seven shall apply as if the date of acquisition had fallen within the period mentioned in subsection (1) thereof.
- (2) Subject as aforesaid, the said section fifty-seven (hereafter in this section referred to as " the principal section") shall apply also in relation to acquisitions by any persons to whom the Acquisition of Land (Assessment of Compensation) Act, 1919, is extended by subsection (1) of section fifty-seven of the Planning Act, as if those persons were a local or public authority within the meaning of the said Act of 1919, and shall so apply notwithstanding that the date of acquisition fell before the commencement of this Part of this Act, if it did not fall before the passing of the Planning Act.
- (3) Where either of the foregoing subsections applies to an acquisition, any reduction supposed by subsection (2) of the principal section to be made in the principal value for purposes of duty of the interest acquired shall be limited so as not to exceed the amount by which, in the opinion of the Commissioners, the compensation or price paid for the purchase of the interest would have been increased if section fifty-two of the Planning Act had not been passed; and subsections (3) and (4) of the principal section shall have effect accordingly.
- (4) In this section the expression " the date of acquisition " has the same meaning as in the principal section, and the expression " the Planning Act" means the Town and Country Planning Act, 1947.
- (5) In the application of this section to Scotland, for references to the Town and Country Planning Act, 1947, and to sections fifty-two and fifty-seven thereof there shall respectively be substituted references to the Town and Country Planning (Scotland) Act, 1947, and to sections forty-nine and fifty-four thereof.

33 Extension of exemption for small gifts inter vivos

- (1) So much of paragraph (c) of subsection (1) of section two of the Finance Act, 1894, as makes gifts inter vivos property which is deemed to pass on the death of the deceased shall not apply to gifts which, in the case of any donee, do not exceed in the aggregate five hundred pounds in value or amount, if it is shown to the satisfaction of the Commissioners—
- (a) that the property taken by the donee did not include any interest in settled property ; and
 - (b) that bona fide possession or enjoyment of the property so taken was assumed by the donee immediately upon the gift and thenceforward retained to the

entire exclusion of the deceased or of any benefit to him by contract or otherwise.

- (2) Where the foregoing subsection would apply in the case of any donee except that the Commissioners are satisfied of the facts mentioned in paragraphs (a) and (b) thereof as respects some only of the gifts to him, it shall apply to any of the gifts as respects which they are so satisfied.
- (3) This section shall not be taken as affecting the relief given by subsection (2) of section fifty-nine of the Finance (1909-10) Act, 1910, where in the case of any donee the gifts do not exceed one hundred pounds in value or amount.

PART IV

STAMP DUTIES

34 Abolition of duty on bonus issues of securities

- (1) Sections sixty to sixty-two of the Finance Act, 1947 (which charge duty on bonus issues of securities, etc.), shall cease to have effect as from the seventh day of April, nineteen hundred and forty-nine, except that—
 - (a) in so far as they relate to issues of securities, they shall continue to have effect in relation—
 - (i) to securities to which subsection (8) of section sixty-one applies, if the sale took place before that day; and
 - (ii) to other securities, if the allotment took place before that day; and
 - (b) in so far as they relate to the variation of the rights or liabilities attached to any securities, they shall continue to have effect in relation to any variation becoming effective before that day.
- (2) Where it is shown to the satisfaction of the Commissioners that any duty which, by virtue of this section, is not chargeable has in fact been paid, they shall repay the duty.

35 Abolition of and exemptions from other duties

- (1) In relation to instruments made or executed on or after the date of the passing of this Act, the Stamp Act, 1891, shall have effect as if it had been enacted—
 - (a) without the headings or parts of headings in the First Schedule thereto which are mentioned in Part I of the Eighth Schedule to this Act (and are not so mentioned only in an exemption); but
 - (b) with the exemptions provided for by the said Part I.
- (2) The composition mentioned in Part II of the said Eighth Schedule shall no longer be payable, and the duties so mentioned are abolished.
- (3) At the end of the heading Policy of Sea Insurance in the First Schedule to the Stamp Act, 1891, there shall be inserted the following exemption:—

“Exemption

Policy of insurance on baggage or personal and household effects only, if made or executed out of Great Britain”;

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and section ninety-seven of that Act (which imposes penalties for assuring without a duly stamped policy) shall not apply in relation to a sea insurance which is within that exemption.

36 Amendments as to conveyances on sale

- (1) Any sale or contract or agreement for the sale of goods, wares or merchandise shall be disregarded for the purpose of the provisions mentioned in subsection (2) of this section in their application—
 - (a) to any instrument chargeable under the heading " Conveyance or transfer on sale " in the First Schedule to the Stamp Act, 1891, other than an actual conveyance or transfer of the goods, wares or merchandise (with or without other property); or
 - (b) to any instrument chargeable by reference to that heading under section fifty-nine of that Act (which makes a contract or agreement for sale of certain property chargeable with duty as if it were an actual conveyance on sale).
- (2) The said provisions are those contained in the proviso to section seventy-three of the Finance (1909-10) Act, 1910, and subsections (3) and (4) of section fifty-four of the Finance Act, 1947 (which give lower rates of duty in the case of small transactions, subject to conditions as to their not forming part of a larger transaction or series of transactions).
- (3) Any statement included in an instrument in terms of the proviso to section seventy-three of the Finance (1909-10) Act, 1910, or subsection (3) of section fifty-four of the Finance Act, 1947, shall be construed as leaving out of account any matter which may be disregarded under the foregoing subsections.
- (4) Section twelve of the Finance Act, 1895 (which relates to duty on property vested by Act or purchased under statutory powers), shall not require any person who is authorised after the coming into force of this section to purchase any property as mentioned in the said section twelve to include in the instrument of conveyance required by that section to be produced to the Commissioners any goods, wares or merchandise forming part of the property nor, if the property consists wholly of goods, wares or merchandise, to produce any instrument of conveyance thereof to the Commissioners.

PART V

LAND TAX

37 Stabilisation of charge for tax, and procedure for assessment

- (1) Land tax shall remain chargeable where, and only where, it was chargeable on a property for the land tax year 1948-49 (hereafter in this section referred to as "the basic year"), and only in so far as the property has not been exonerated therefrom by this Act or by the redemption of the tax, whether under this Act or otherwise; and the amount of the tax chargeable for any subsequent year (hereafter in this Part of this Act referred to as " the annual charge") shall be determined in accordance with the following provisions of this section.

- (2) The amount fixed as that of the land tax attributable to any property for the basic year shall be the annual charge for the property subject to the provision hereafter made in this section for reduction and apportionment.
- (3) Where in any land tax parish there was in the basic year a surplus of the aggregate charge over the parish quota, the annual charge for any property in that parish shall be reduced so as to bear to the amount mentioned in the last foregoing subsection the same proportion as the amount of that quota, reduced by one twenty-fifth of the surplus, bears to the amount of that aggregate charge. In this subsection the expressions " parish quota " and " aggregate charge " mean respectively, in relation to any land tax parish, the amount of the unredeemed quota of land tax charged against the parish and the amount assessed in the parish on account of that quota.
- (4) Subject to the following provisions of this Act, land tax for land tax years after the year 1949-50 shall be payable on assessments made for that year, and assessments shall not be made for land tax years after that year.
- (5) The annual charge for any property may be apportioned, on an assessment made for the land tax year 1949-50 or any subsequent year, between any part of the property which at the beginning of the year in question is separately owned or occupied and the remainder thereof, and (subject to any further assessment under this or the next following subsection) for that and subsequent years the amount so apportioned to any part of the property shall be the annual charge for that part and the tax shall be payable on that assessment accordingly.
- (6) Where it is shown that—
 - (a) in the basic year any mine or quarry, or the right to any tolls, was assessed to land tax as a separate property; and
 - (b) in the land tax year 1949-50 or any subsequent year the rateable value of the property or, if the annual charge for the property has been apportioned, of a part thereof separately assessed to land tax is less than in the basic year ;then for the year in question the annual charge for the property or for that part thereof, as the case may be, shall be reduced on an assessment made for that year, so that the annual charge and the rateable value in question shall bear the same proportion to one another in that year as those of the property did in the basic year, and the tax shall be payable on that assessment accordingly.
- (7) For the purposes of the last foregoing subsection, references to the rateable value of any property in a land tax year shall be taken as referring to the valuation list as in force immediately after the beginning of the corresponding rating year, with any necessary apportionment of the values shown therein.
- (8) The assessments for the land tax year 1949-50 and any subsequent assessment shall be made by the inspector of taxes, and when so made shall be of the same effect as if signed and allowed by the land tax commissioners:

Provided that any person aggrieved by an assessment so made, or by a refusal of the inspector of taxes to make an assessment for the purpose of an apportionment or reduction of the annual charge as provided by this Part of this Act, may appeal within the prescribed time and in the prescribed manner to the land tax commissioners.
- (9) Section one hundred and sixty-seven of the Land Tax Redemption Act, 1802, and the third rule in Schedule E to the Land Tax Redemption Act, 1813 (which relate to default in making payment for the voluntary redemption of land tax), shall cease to have effect

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in so far as they would invalidate any contract for redemption or would revive the land tax redeemed by such a contract; and section thirty-three of the Taxes Management Act, 1880 (which provides that assessments and other documents relating to land tax shall belong to and be kept by the land tax commissioners), shall also cease to have effect.

38 Exoneration of certain properties

- (1) The following properties shall be exonerated from land tax, namely—
 - (a) any Crown property not occupied by some other person;
 - (b) any property in respect of which, if not exonerated, the annual charge for the land tax year 1949-50 would be less than ten shillings ;
 - (c) any property which becomes liable to redemption on a death, if it is shown to the satisfaction of the Commissioners of Inland Revenue that for purposes of estate duty the principal value of the estate of which the relevant interest forms part, or is for this purpose to be treated as forming part, is less than two thousand pounds.
- (2) The exoneration of any property under this section shall, subject to the next following subsection, have effect from the beginning of the land tax year 1949-50 or, in the case of a property not satisfying any of the conditions for exoneration before the end of that year, from the beginning of the land tax year in which it does satisfy one of those conditions.
- (3) An assessment apportioning the annual charge for any property between parts thereof separately owned or occupied at the beginning of the land tax year 1949-50 may for the purpose of subsection (1) of this section be made at any time, but if the charge is apportioned on an application made after the end of that year the condition in paragraph (b) of that subsection shall not by virtue of the apportionment be deemed to be satisfied as respects any part of the property before the date of the application.
- (4) For the purpose of paragraph (c) of subsection (1) of this section the relevant interest in a property shall be treated as forming part of an estate for purposes of estate duty if it would do so but for any exemption from that duty applying to that interest with or without other property, and where the interest is so treated by virtue of this subsection the principal value of the estate shall be determined as if there were no such exemption.

39 Liability to and date for compulsory redemption

- (1) A property chargeable with land tax shall become liable to redemption if on or after the first day of April, nineteen hundred and fifty,—
 - (a) the property is Crown property but is occupied by some other person; or
 - (b) the estate owner in respect of the relevant interest—
 - (i) disposes of that interest; or
 - (ii) grants out of that interest a lease for a term of twenty-one years or more (not being a lease by way of security only); or
 - (c) the relevant interest comes to an end ; or
 - (d) the sole beneficial owner in possession of the relevant interest dies; or
 - (e) the beneficial owner in possession of the relevant interest is a corporate or unincorporated body of persons or the sole trustee of a trust established for charitable or public purposes only.

- (2) The date for compulsory redemption in the case of any property shall be that on which it becomes liable to redemption or, in the case of a property becoming liable before the first day of January, nineteen hundred and fifty-four, by virtue only of paragraph (e) of the foregoing subsection, the said first day of January.
- (3) For the purposes of subsection (1) of this section—
 - (a) the expression "property" includes any part of a property;
 - (b) the expression "beneficial owner in possession" means the person who by virtue of the relevant interest or any trust thereof is for the time being beneficially entitled (subject or not to any charge, annuity or other incumbrance) to possession of the property or to any income arising therefrom, so, however, that for the purposes of this definition any assignment of a life interest under a settlement or trust shall be disregarded so long as the life interest subsists;
 - (c) any reference to disposing of the relevant interest includes any disposition of the whole of that interest as for the time being vested in the estate owner, except that a disposition by an estate owner acting in a fiduciary capacity is included only if made on a sale;and in this subsection the expression "beneficially entitled" includes entitled as trustee of a trust established for charitable or public purposes only or otherwise entitled for the benefit of the public or any section of the public.
- (4) Notwithstanding anything in the last foregoing subsection, paragraph (d) of subsection (1) of this section shall not apply where the interest of the deceased was as trustee of a trust established as aforesaid or as holder of any office or recipient of the benefits of a charity or as a corporation sole.

40 Amount of, and liability and charge for, redemption money

- (1) Where a property becomes liable to redemption, and is not exonerated from land tax under the foregoing provisions of this Part of this Act, then subject to the provisions of this section there shall become payable to His Majesty a sum equal to twenty-five times the annual charge for the property and land tax shall cease to be payable in respect of the property as from the quarter day last before the date on which that sum becomes due.
- (2) The said sum (hereafter in this section referred to as "the redemption money") shall be payable by the person who immediately after the property becomes liable to redemption is the estate owner in respect of the relevant interest or, in the case of property becoming liable to redemption on the termination of that interest, the estate owner in respect of the reversion immediately expectant thereon:

Provided that the redemption money payable in respect of any property by or on behalf of the Crown shall be deemed to be paid on the date on which it becomes due.
- (3) The redemption money in respect of any property shall be due on such date (not being earlier than the date for compulsory redemption) as may be prescribed.
- (4) The redemption money for which the estate, owner in respect of an estate in any property is made liable by this section shall until payment be charged on that estate, and the charge created by this subsection—

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- (a) shall be deemed to be a land charge of class B within the meaning of the Land Charges Act, 1925, but not an Inland Revenue charge within the meaning of section fifty-nine of the Land Registration Act, 1925; and
 - (b) shall be enforceable by the Commissioners of Inland Revenue under the Law of Property Act, 1925, and otherwise as if they were mortgagees by deed having powers of sale and lease and of appointing a receiver.
- (5) Where a property becomes liable to redemption on the death of the estate owner in respect of the relevant interest, the persons on whom that interest devolves as his personal representatives, whether appointed by his will or not, shall be deemed for the purposes of this section to become estate owners in respect of that interest immediately on his death.
- (6) Where a property becoming liable to redemption is not separately assessed to land tax, the annual charge for the property shall be determined for the purposes of this section by an apportionment made as in the case of a property separately owned or occupied at the beginning of a land tax year.
- (7) Where a property becomes liable to redemption, notice of that fact shall be given by the person liable for the redemption money (or who would be so liable if the property were not exonerated) to such person as may be prescribed.
- (8) Where the person liable (or who would be liable as aforesaid) for the redemption money in respect of any property fails to give notice under this section within the prescribed time or to pay the redemption money (if any) on the date on which it becomes due, he shall be liable to a penalty of fifty pounds recoverable by action as a debt due to the Crown and, in the case of a failure to pay the redemption money, shall also be liable to pay in addition to the redemption money interest thereon at the rate of two per cent. per annum without any deduction for income tax:
- Provided that the Commissioners of Inland Revenue may mitigate or remit any penalty under this subsection, either before or after judgment.
- (9) Regulations may provide for applying with or without modifications and extending in relation to the compulsory redemption of land tax all or any of the enactments relating to the voluntary redemption of land tax and in particular those specified in the Ninth Schedule to this Act (which relate respectively to the matters mentioned in the second column of that Schedule), but save as provided by any such regulations none of the enactments referred to in this subsection shall apply in relation to a compulsory redemption.
- (10) Subsection (3) of section two of the Increase of Rent and Mortgage Interest (Restrictions) Act, 1920 (which provides among other things for disregarding increases of rent in respect of the transfer of a liability from tenant to landlord), shall apply in relation to any increase of rent in respect of land tax compulsorily redeemed by the landlord, being tax previously borne by the tenant, as it applies to an increase in respect of a transfer to the landlord of a liability so borne.

41 Payment for voluntary redemption

The capital sum to be paid under section thirty-two of the Finance Act, 1896, by the owner of a property for the voluntary redemption of land tax charged thereon shall, except in the case of any contract entered into before the first day of April, nineteen hundred and fifty, be a sum equal to twenty-five times the annual charge for the property (as in the case of a compulsory redemption), instead of a sum equal to

twenty-five times the sum assessed thereon for the land tax year 1939-40 as provided by section forty-three of the Finance Act, 1942.

42 Land tax redeemed but not exonerated

- (1) Any annuity payable by the Commissioners of Inland Revenue under the Land Tax Perpetuation Act, 1798, in respect of land tax redeemed but not exonerated shall cease to be payable on the fifth day of April, nineteen hundred and fifty.
- (2) Any person who immediately before that day is entitled to such an annuity shall in lieu thereof be entitled to have transferred to him by the Commissioners of Inland Revenue government stock of such class as the Treasury may determine and of such an amount that the dividends thereon are equal to the amount of the annuity.
- (3) Any transfer of stock under this section shall be made as at the said fifth day of April and accordingly, if any dividends on the stock have become payable between that day and the transfer, shall be accompanied by a payment of interest in lieu of and equal to those dividends.
- (4) Stock transferred in lieu of an annuity under this section shall be held in the same right and on the same trusts and subject to the same powers, privileges, provisions, charges, restraints and liabilities as those in, on, or subject to which the annuity is held immediately before the said fifth day of April, and so as to give effect to and not revoke any deed, will, disposition or other instrument disposing of or affecting that annuity, and every such disposition or instrument shall take effect with reference to the whole or a proportionate part, as the case may be, of the stock :

Provided that no provision of the Land Tax Acts entitling any person to a transfer of the annuity shall apply to the stock.

- (5) Any sums required by the Commissioners of Inland Revenue for the purchase of stock to be transferred under this section, or for the making of payments thereunder, shall be issued out of the Consolidated Fund or the growing produce thereof.

43 Regulations

- (1) Provision may be made by regulations—
 - (a) for regulating the procedure for the assessment of the annual charge on any property and matters incidental to or arising out of the making of an assessment (including the time within which applications to apportion or reduce the annual charge are to be made, the making of appeals against assessments, the notice to be given of any assessment and the right to inspect or receive copies thereof, and the duties of the collectors of land tax);
 - (b) for regulating the procedure for the redemption (whether voluntary or compulsory) of land tax and matters incidental thereto.
- (2) Any such regulations so far as they relate to the duties of collectors, or to the procedure for voluntary redemption and matters incidental thereto, shall have effect notwithstanding anything contained in any Act passed before this Act,
- (3) Any regulations under this Part of this Act shall be made by the Commissioners of Inland Revenue by statutory instrument, which shall be subject to annulment by resolution of either House of Parliament.

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44 Interpretation of Part V

- (1) In this Part of this Act the following expressions have the meanings hereby respectively assigned to them, that is to say—
- (a) "Crown property" means a property the relevant interest in which belongs to His Majesty in right of the Crown or to the Duchy of Cornwall, or belongs to a Government department or is held in trust for His Majesty for the purposes of a Government department, and references to a property being occupied by a person other than the Crown, or to redemption money being payable by or on behalf of the Crown, shall be construed accordingly ;
 - (b) "inspector of taxes " has the same meaning as in the Income Tax Acts;
 - (c) "land tax year" means a period of twelve months ending with the twenty-fourth day of March;
 - (d) "prescribed " means prescribed by regulations ;
 - (e) "relevant interest " means—
 - (i) in the case of a property which on the first day of April, nineteen hundred and fifty, is comprised in a lease for a term having not less than fifty years unexpired (not being a lease by way of security only), the term under that lease or, if there are more than one, that one on which the others are reversionary; and
 - (ii) in any other case the legal estate in fee simple.
- (2) References in this Part of this Act to the annual charge for a property, in a case in which the charge may vary under subsection (6) of section thirty-seven of this Act, shall (except in so far as the context otherwise requires)—
- (a) in relation to the exoneration of the property under paragraph (b) of subsection (1) of section thirty-eight of this Act be taken as referring to the annual charge apart from any such variation; and
 - (b) in relation to the redemption of the tax on that property be taken as referring to the charge for the land tax year in which the date for compulsory redemption falls or, in the case of a voluntary redemption, the land tax year in which the tax is redeemed.

45 Application of Part V to Scotland

- (1) The following provisions of this section shall have effect for the purpose of the application of this Part of this Act to Scotland.
- (2) For any reference to a life interest there shall be substituted a reference to a liferent; for any reference to the reversion immediately expectant on an interest there shall be substituted a reference to the interest of a landlord in property subject to a lease.
- (3) Section thirty-seven of this Act shall have effect as if—
- (a) subsections (3), (6) and (7) were omitted; and
 - (b) for subsection (8) there were substituted the following subsection:—
 - “(8) The assessments for the land tax year 1949-50 and any subsequent assessment shall be made by the collector of taxes:

Provided that any person aggrieved by an assessment so made or by the refusal of the collector of taxes to make an assessment for the purpose of an apportionment of the annual charge as provided by this Part of this Act, may appeal within the prescribed time and in the

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prescribed manner to the sheriff whose decision on any such appeal shall be final.”

(4) Section forty of this Act shall have effect as if for subsections (4) and (5) there were substituted the following subsections:—

“(4) The redemption money due in respect of any property may be charged on the property by means of a charging order made by the Commissioners of Inland Revenue in favour of themselves, and recorded in the appropriate register of sasines, and any such order when so recorded shall have priority over all other estates, interests and incumbrances other than those incident to tenure.

(5) Where a property becomes liable to redemption on the death of the estate owner in respect of the relevant interest, the following persons shall be deemed for the purposes of this section to become estate owners in respect of that interest immediately on his death, namely—

- (a) if the property is subject to any testamentary disposition, the persons entitled under that disposition; and
- (b) in any other case, the heir at law.”

(5) Section forty-four of this Act shall have effect as if for the definition of the expression "relevant interest" the following definition were substituted—

“relevant interest" means—

- (i) in the case of a property which on the first day of April, nineteen hundred and fifty, is comprised in a lease (not being a lease by way of security only) for a period the unexpired portion of which is fifty years or more, the interest of the tenant under that lease or, if there is more than one such lease, the interest of such one of the tenants under those leases as is entitled to possession; and
- (ii) in any other case the interest of the proprietor of the dominium utile or, if the property is other than feudal property, the interest of the owner.”

PART VI

NATIONAL DEBT

46 Provisions as to permanent annual charge for the National Debt and as to the Old Sinking Fund

- (1) The permanent annual charge for the National Debt for the financial year ending with the thirty-first day of March, nineteen hundred and fifty, shall be the sum of four hundred and eighty five million pounds instead of the sum of three hundred and fifty-five million pounds.
- (2) Any amount applied out of revenue during the said year in redeeming or paying off any description of debt shall be deemed to be expenditure within the meaning of sections four and five of the Sinking Fund Act, 1875.

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47 Unclaimed dividends account

- (1) Of the stock standing, at the commencement of this Act, to the credit of the National Debt Commissioners' account of unclaimed dividends under Part VII of the National Debt Act, 1870—
 - (a) stock to the value of one hundred thousand pounds shall be sold (the proceeds being placed to the credit of the said account); and
 - (b) the remainder shall be cancelled together with any dividends accrued or accruing thereon.
- (2) Section fifty-four of the said Act shall cease to have effect in so far as it requires that any sums shall be invested in stock to be placed to the credit of the said account, and sums which would, but for this provision, be required by virtue of that section or of section sixty-one of that Act to be so invested shall instead be placed direct to the credit of that account.
- (3) Where the sums standing to the credit of the said account at the end of any financial year exceed one hundred thousand pounds or such other figure as the Treasury may from time to time determine, the excess shall be applied in such manner as the Treasury may direct towards the redemption of the National Debt.
- (4) Subsection (2) of this section shall not affect the manner in which unclaimed redemption moneys are to be dealt with under paragraph 6 of the Third Schedule to the Finance Act, 1921 ; and accordingly the said paragraph 6 shall have effect with the substitution for the words " and when so paid shall be held and dealt with by the said Commissioners in like manner as dividends paid to them under section sixty-one of the National Debt Act, 1870 " of the words "and when so paid shall be invested by the said Commissioners in the purchase of such Government stock as the Treasury may from time to time direct, and the provisions of Part VII of the National Debt Act, 1870, as to stock transferred thereunder shall apply to those moneys and the stock for the time being representing them with such modifications as may be necessary to give effect to the right to those moneys instead of to a right to stock transferred and the dividends thereon ".
- (5) Section three of the National Debt Reduction Act, 1866 (which provides for the issue out of the growing produce of the Consolidated Fund to the Bank of England of any amounts required to pay claims on the said account if the Bank certify that the amount of cash in the account is insufficient for the purpose), shall have effect with the substitution of a reference to the insufficiency being certified by the National Debt Commissioners for the reference to its being certified by the Bank.

48 Transfer of Government stock on production of Isle of Man or Channel Islands probates, etc.

- (1) Upon the death of anyone who is the holder of any Government stock, the production of probate or letters of administration granted to any person by a court in the Isle of Man or in any of the Channel Islands having authority to make the grant, or of a certified copy of probate or letters of administration so granted, shall be of the same effect to authorise the Bank of England to transfer the stock as production of probate or letters of administration granted to that person in England:

Provided that the Bank of England shall not transfer any Government stock in pursuance of this section except on production to the Bank of a certificate from the Commissioners of Inland Revenue showing either that all death duties payable in Great

Britain in respect of the stock have been paid or that no duty is payable in Great Britain in respect thereof.

- (2) Where any stock is transferred in pursuance of this section, the Bank of England shall be indemnified and protected notwithstanding any defect or circumstance whatsoever affecting the validity of the probate or letters of administration in question.
- (3) In this section the expression " Government stock " has the same meaning as in the Savings Banks Act, 1893.
- (4) This section so far as it relates to probates and letters of administration granted by a court in the Isle of Man shall be deemed to have had effect as from the twenty-ninth day of January, nineteen hundred and forty-one (being the date on which similar provision was made in relation thereto by regulation 7B of the Defence (Finance) Regulations, 1939), and accordingly that regulation is hereby repealed.

PART VII

MISCELLANEOUS

49 Extension of special contribution to Northern Ireland

- (1) Part V of the Finance Act, 1948 (which relates to the special contribution), shall, notwithstanding anything in subsection (9) of section eighty-two of that Act, extend to Northern Ireland
- (2) The Government of Ireland Act, 1920, shall have effect as if the special contribution were one of the taxes mentioned in subsection (1) of section twenty-two of that Act (which relates to reserved taxes).
- (3) This section shall be deemed to have had effect from the commencement of the said Act of 1948:

Provided that notwithstanding anything in the said Part V or regulations made thereunder, where in the case—

- (a) of an assessment on, or on the personal representatives of, a person resident in Northern Ireland made before the passing of this Act; or
- (b) of contribution recoverable from, or required to be paid by, a person so resident in consequence of an assessment so made; or
- (c) of contribution assessed by an assessment so made, being contribution charged by reference to income arising, or deemed to arise, under a trust the administration of which is governed by the law of Northern Ireland;

the time limited for the doing of any of the following things, that is to say—

- (i) the making of an appeal under any of the provisions of section sixty of the said Act of 1948 (which relates to appeals); or
- (ii) the making of an application or the giving of a notice under subsection (5) of section fifty-eight of that Act (which relates to the separate assessment of husband and wife); or
- (iii) the making of an application under section sixty-one, sixty-two or sixty-four of that Act (which provide respectively for relief where income attributable to a period of years was received in the year 1947-48, for an allowance for

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maintenance and repairs, and for relief in the case of capital subject to death duties);

would have expired before the passing of this Act or within twenty-eight days after the passing thereof, that time shall expire at the end of the said twenty-eight days.

(4) It is hereby declared that this section extends to Northern Ireland.

50 Taxation of Lloyd's and other underwriters who set up special reserve funds

- (1) If, in the case of Lloyd's or any approved association of underwriters—
- (a) arrangements are made for the setting up, in relation to each underwriting member who elects to take advantage of the arrangements, of such a special reserve fund as is referred to in the Tenth Schedule to this Act; and
 - (b) the arrangements comply with the requirements of that Schedule, are approved by the Commissioners of Inland Revenue and are certified by the Board of Trade to be in the public interest,
- then, subject to the provisions of that Schedule relating to the cancellation by the said Commissioners or the Board of Trade of their approval or certificate, the provisions of that Schedule relating to taxation shall have effect in relation to any such underwriting member who duly elects as aforesaid.
- (2) In this section, the expression " approved association of underwriters " means an association of underwriters to whom the Assurance Companies Act, 1909, does not apply by virtue of subsection (2) of section twenty-eight of that Act.

51 Settling of appeals, etc., by agreement

- (1) Subject to the provisions of this section, where, whether before or after the passing of this Act, a person gives notice of appeal to the General Commissioners, the Special Commissioners or the Board of Referees against an assessment to, or a decision of any kind with respect to, income tax other than surtax, surtax, the profits tax, excess profits tax or the special contribution, and, before the appeal is determined by the Commissioners or Board, the surveyor or other proper officer of the Crown and the appellant come to an agreement, whether in writing or otherwise, that the assessment or decision should be treated as upheld without variation, or as varied in a particular manner or as discharged or cancelled, the like consequences shall ensue for all purposes as would have ensued if, at the time when the agreement was come to, the Commissioners or Board had determined the appeal and had upheld the assessment or decision without variation, had varied it in that manner or had discharged or cancelled it, as the case may be.
- (2) Subject to the provisions of this section, where, whether before or after the passing of this Act, a person claims relief from excess profits tax for a deficiency of profits and, before the claim is determined by the Commissioners of Inland Revenue, the surveyor or other proper officer of the Crown and the claimant come to an agreement, whether in writing or otherwise, that the claim should be allowed, or should be allowed with a variation, or should be disallowed, the like consequences shall ensue for all purposes as would have ensued if, at the time when the agreement was come to, the said Commissioners had allowed the claim, or had allowed it with that variation, or had disallowed it, as the case may be.
- (3) The preceding provisions of this section shall not apply where, within twenty-one days from the date when the agreement was come to, the appellant or claimant gives

notice in writing to the surveyor or other proper officer of the Crown that he desires to repudiate or resile from the agreement.

- (4) The preceding provisions of this section shall, in relation to an agreement which is come to after the passing of this Act and is not in writing, have effect subject to the following provisions, that is to say—
- (a) the said preceding provisions shall not apply unless the fact that an agreement was come to, and the terms agreed, are confirmed by notice in writing given by the surveyor or other proper officer of the Crown to the appellant or claimant, or by the appellant or claimant to the surveyor or other proper officer; and
 - (b) the references in the said preceding provisions to the time when the agreement was come to shall be construed as references to the time of the giving of the said notice of confirmation.
- (5) Where, whether before or after the passing of this Act, a person who has given such a notice of appeal as is mentioned in subsection (1) of this section, or has made such a claim as is mentioned in subsection (2) thereof, notifies the surveyor or other proper officer of the Crown, whether orally or in writing, that he desires not to proceed with the appeal or, as the case may be, that he desires to withdraw the claim, and, in the case of a notification with respect to an appeal, twenty-one days have elapsed since the giving of the notification without the surveyor or other proper officer giving to the appellant notice in writing indicating that he is unwilling that the appeal should be treated as withdrawn, the preceding provisions of this section shall have effect as if, at the date of the appellant's or claimant's notification, the appellant or claimant and the surveyor or other proper officer had come to an agreement, orally or in writing, as the case may be, that the assessment or decision should be upheld without variation or that the claim should be disallowed.
- (6) The references in this section to an agreement being come to with an appellant or claimant and the giving of notice or notification to or by an appellant or claimant include references to an agreement being come to with, and the giving of notice or notification to or by, a person acting on behalf of the appellant or claimant in relation to the appeal or claim.
- (7) This section shall not apply in relation to any appeal or claim for relief which has in fact been duly determined before the sixth day of April, nineteen hundred and forty-nine, by the Commissioners having jurisdiction in the matter or by the Board of Referees, as the case may be.

52 Short title, construction, extent and repeals

- (1) This Act may be cited as the Finance Act, 1949.
- (2) Part I of this Act—
- (a) so far as it relates to duties of customs, shall be construed as one with the Customs Consolidation Act, 1876, except that the expression " the United Kingdom " does not include the Isle of Man; and
 - (b) so far as it relates to duties of excise, shall be construed as one with the Acts which relate to the duties of excise and to the management of those duties;
- and in the said Part I the expression " the Commissioners " means the Commissioners of Customs and Excise.
- (3) Part II of this Act shall be construed as one with the Income Tax Acts.

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- (4) Part III of this Act shall be construed as one with Part I of the Finance Act, 1894.
- (5) Part IV of this Act shall be construed as one with the Stamp Act, 1891.
- (6) Part V of this Act shall be construed as one with Part VI of the Finance Act, 1896.
- (7) Part VII of this Act—
 - (a) so far as it relates to income tax, shall be construed as one with the Income Tax Acts ; and
 - (b) so far as it relates to the profits tax, shall be construed as one with Part III of the Finance Act, 1937, and the other enactments relating to the profits tax.
- (8) Any reference in this Act to any other enactment shall, except so far as the context otherwise requires, be construed as a reference to that enactment as amended by or under any other enactment, including this Act.
- (9) Save as otherwise expressly provided, such of the provisions of this Act as relate to matters with respect to which the Parliament of Northern Ireland has power to make laws shall not extend to Northern Ireland.
- (10) The enactments specified in the Eleventh Schedule to this Act are hereby repealed to the extent mentioned in the third column of that Schedule:

Provided that the repeals effected by any Part of that Schedule shall be subject to the savings (if any) provided for at the end of that Part.
- (11) The inclusion of express savings in this Act shall not be taken as affecting the application thereto of any provision of the Interpretation Act, 1889, as to the effect of repeals.