



Finance Act 1939

1939 CHAPTER 41

PART III

ARMAMENT PROFITS DUTY.

21 Meaning of " armament business " and " armament contract."

- (1) If the Minister declares to the Commissioners that in any accounting period the total receipts of a business under armament contracts were not less than two hundred thousand pounds or, if the accounting period is less than twelve months, not less, than such sum as bears to two hundred thousand pounds the like proportion that the length of the period bears to twelve months, the business shall, in relation to any chargeable accounting period which consists or forms part of that accounting period, be deemed to be an armament business :

Provided that, before making any such declaration with respect to a business, the Minister shall give to the person carrying on that business at least twenty-eight days' notice that he proposes to do so and shall consider any representations made by that person before the expiration of that period and, if he makes the declaration, shall notify that person accordingly.

- (2) For the purposes of the provisions of this Act relating to armament profits duty the expression " armament contract " means, in relation to any business—
- (a) a contract between the person carrying on the business and His Majesty's Government in the United Kingdom, being—
 - (i) a contract for the supply of anything required for the purposes of the armed forces of the Crown or of any foreign armed forces or for the purposes of any enactment (whether passed before or after the passing of this Act) relating to civil defence, or for the supply of any machines, tools, or materials required for making or repairing anything required for any of those purposes; or
 - (ii) a contract for the execution of any works required for any of those purposes; or

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- (iii) a contract for the supply of anything which is being acquired by the Crown under the Essential Commodities Reserves Act, 1938, if similar supplies are also being acquired by the Crown under contracts which are armament contracts by virtue of sub-paragraph (i) of this paragraph; or
- (iv) a contract for the supply of anything which is being acquired by the Crown otherwise than under the said Act as being something which would be essential for the needs of the community in the event of war;
- (b) a contract under which the person carrying on the business supplies anything to, or executes any works for, any other person, being a contract entered into by that other person for the purpose of enabling him to perform an armament contract; or
- (c) a contract between the person carrying on the business (being a company) and His Majesty's Government in the United Kingdom for the construction, alteration or management by the company as agent for that Government of any factory in the United Kingdom which belongs, or is to belong, to the Crown, but only to the extent of any remuneration payable by His Majesty's Government in respect of such agency:

Provided that nothing in this subsection shall apply to any contract for the supply of any such articles or materials as may from time to time be specified in an order of the Minister, being articles or materials which in his opinion are commonly required for purposes other than those mentioned in this subsection and for that reason cannot equitably be brought within the scope of the provisions thereof.