
STATUTORY INSTRUMENTS

1993 No. 986

ROAD TRAFFIC

The Sale of Registration Marks (Amendment) Regulations 1993

<i>Made</i>	- - - -	<i>1st April 1993</i>
<i>Laid before Parliament</i>		<i>5th April 1993</i>
<i>Coming into force</i>	- -	<i>1st May 1993</i>

The Secretary of State for Transport, in exercise of the powers conferred by section 12 of the Finance Act 1989(1), and of all other enabling powers, hereby makes the following Regulations:

1. These Regulations may be cited as the Sale of Registration Marks (Amendment) Regulations 1993, and shall come into force on 1st May 1993.
2. The Sale of Registration Marks Regulations 1989(2) are amended so that—
 - (1) for regulation 2 there is substituted the following regulation

“2. In respect of agreements made before 1st May 1993 the scheme set out in Schedule 1 to these Regulations shall have effect. In respect of agreements made on or after 1st May 1993 the scheme set out in Schedule 2 to these Regulations shall have effect.”;
 - (2) in the heading to the Schedule, after the word “SCHEDULE” there is inserted the figure “1”, and after the words “THE SALE OF REGISTRATION MARKS SCHEME” there are inserted the words “BEFORE 1st MAY 1993”; and
 - (3) after that Schedule there is added Schedule 2 as set out in the Schedule to these Regulations.

Signed by authority of the Secretary of State for Transport

1st April 1993

Kenneth Carlisle
Parliamentary Under Secretary of State,
Department of Transport

(1) 1989 c. 26 as amended by section 13 of the Finance (No. 2) Act 1992 (c. 48).
(2) S.I.1989/1938.

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SCHEDULE

“SCHEDULE 2

THE SALE OF REGISTRATION MARKS SCHEME ON AND AFTER 1st MAY 1993

Interpretation

1.—(1) In this scheme—

“the 1971 Act” means the Vehicles (Excise) Act 1971(3);

“the 1988 Act” means the Road Traffic Act 1988(4);

“the Registration and Licensing Regulations” means the Road Vehicles (Registration and Licensing) Regulations 1971(5);

“certificate of entitlement” means a certificate issued in accordance with paragraph 8(1);

“G.B.records” means the records kept under the 1971 Act, on behalf of the Secretary of State, by the Driver and Vehicle Licensing Agency and does not include any records kept under that Act, on behalf of the Secretary of State, by a Northern Ireland department;

“nominated person” means a person nominated as mentioned in paragraph 2(1)(b);

“purchaser” means a person who enters into an agreement under this scheme to acquire a relevant right;

“purchase price” means the price of a relevant right determined as provided in paragraph 6(1); and

“relevant right” means a right mentioned in paragraph 2.

(2) In this scheme—

(a) any reference to a numbered paragraph is a reference to the paragraph bearing that number in the scheme; and

(b) any reference to a numbered sub-paragraph is a reference to the sub-paragraph bearing that number in the paragraph in which the reference occurs.

Acquisition of a relevant right

2.—(1) Subject to the following provisions of this scheme, a person may acquire a right from the Secretary of State to have a particular registration mark to which section 12 of the Finance Act 1989 applies assigned to a vehicle registered—

(a) in that person’s name; or

(b) in the name of some other person nominated by him in accordance with paragraph 3.

(2) No such right shall be granted to any person unless and until he has entered into an agreement with the Secretary of State for the acquisition of the relevant right and has paid to the Secretary of State the purchase price and the sum specified in paragraph 6(3).

3. The nomination of a nominated person shall not be effective unless made by a purchaser before he pays the sum specified in paragraph 6(3).

4.—(1) An agreement for the acquisition of a relevant right may be made by means of—

(a) public auction;

(3) 1971 c. 10.

(4) 1988 c. 52.

(5) S.I. 1971/450; relevant amending instruments are S.I. 1976/2089, 1977/230 and 1982/1802.

- (b) tender; or
- (c) private treaty.

(2) An agreement shall provide for the payment to the Secretary of State of the purchase price and the sum specified in paragraph 6(3).

Duration of a relevant right

5.—(1) Subject to the provisions of sub-paragraph (2), a relevant right may be exercised only during the period of one year starting with the date on which the certificate of entitlement relating to that right is issued.

(2) Subject to the provisions of sub-paragraph (3), the Secretary of State may if he thinks fit in the circumstances of the case extend, on one or more occasions, the period in which a relevant right may be exercised. Any such extension shall be for a period of one year starting with the date on which the right would otherwise have ceased to be exercisable.

(3) No extension by virtue of sub-paragraph (2) shall be granted unless the following conditions are satisfied—

- (a) the purchaser has applied in writing for the extension;
- (b) if the application is made on or after 1st May 1993 but before 28th May 1993 in respect of a right which would cease to be exercisable on or before 28th May 1993 if an extension were not granted, the application is made before 28th May 1993;
- (c) in any case other than one mentioned in subparagraph (b), the application is made in the period starting 28 days before the date on which the right would cease to be exercisable if no extension were granted and ending with that date;
- (d) the application is accompanied by the certificate of entitlement; and
- (e) the fee specified in paragraph 7 is paid.

Payments on acquisition of relevant rights

6.—(1) The Secretary of State may determine as he thinks fit—

- (a) the prices at which particular relevant rights are to be sold or (as the case may be) the reserve prices applicable to the sale of any relevant rights; or
- (b) the manner in which any such prices may be determined.

(2) The purchase price of a relevant right shall be the price determined in accordance with subparagraph (1).

(3) The sum payable in respect of the acquisition of a relevant right shall be—

- (a) in a case where the registration mark has been previously assigned to another vehicle, a sum equal to the amount of the charge which could have been made pursuant to section 12(1) of the Finance Act 1976⁽⁶⁾ on the assignment of the mark if the assignment had occurred at the date of the agreement;
- (b) in a case where the registration mark is one which has not previously been assigned to another vehicle, a sum equal to the amount of the charge which could have been made pursuant to section 12(1) of the Finance Act 1976 on the assignment of the mark if it had previously been assigned to another vehicle and the assignment had occurred at the date of the agreement.

(6) 1976 c. 40.

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Payments on extension of relevant rights

7. The fee payable in respect of an application for an extension of the period in which a relevant right may be exercised shall be £25.

Certificates

8.—(1) So soon as may be after a purchaser has acquired a relevant right, the Secretary of State shall issue to the purchaser a certificate of entitlement. That certificate shall state—

- (a) the registration mark which is the subject matter of the agreement;
- (b) the name and address of the purchaser and, where appropriate, the name of the nominated person;
- (c) the date on which the period of one year mentioned in paragraph 5(1) ends; and
- (d) the date of the agreement.

(2) In any case where there is an extension of the period mentioned in paragraph 5(1), the Secretary of State shall issue a new certificate of entitlement. In addition to stating the matters specified in paragraph (1), the new certificate of entitlement shall state the date on which the period of the extension ends.

(3) If a purchaser to whom a certificate of entitlement has been issued notifies the Secretary of State that the certificate has been lost or destroyed, the Secretary of State, on being satisfied that the certificate has been lost or destroyed, shall issue a replacement certificate.

(4) In any case where a replacement for a lost certificate has been issued and the lost certificate subsequently comes into the possession of the purchaser, he shall forthwith return it to the Secretary of State.

(5) If a certificate of entitlement becomes defaced or illegible, the purchaser to whom it was issued may return it to the Secretary of State so that he may issue a replacement certificate.

Exercise of a relevant right

9.—(1) A relevant right shall be exercisable on only one occasion.

(2) Subject to the provisions of regulation 10, a relevant right shall be exercisable by the purchaser—

- (a) surrendering to the Secretary of State, for retention by him, the certificate of entitlement;
- (b) surrendering to the Secretary of State, for replacement by him—
 - (i) the registration document issued under the 1971 Act relating to the vehicle, in which the name and address of the purchaser or, where appropriate, the nominated person, are stated as the owner of the vehicle within the Registration and Licensing Regulations, and
 - (ii) the vehicle licence in force as respects the vehicle under the 1971 Act, or a valid application for such a licence; and
- (c) sending to the Secretary of State, for endorsement and return, such of the following documents as relate to the vehicle—
 - (i) if the vehicle is one in respect of which a test certificate is required under regulations made under section 45 of the 1988 Act, the certificate in force under that section,

- (ii) if the vehicle is one in respect of which a test certificate is required under article 34 of the Road Traffic (Northern Ireland) Order 1981(7), the certificate in force under that article,
- (iii) if the vehicle is one in respect of which a plating certificate and a goods vehicle test certificate is required under regulations made under section 49 of the 1988 Act, the certificates in force under that section.

(3) In this Regulation “the vehicle” means the vehicle in respect of which the purchaser proposes to exercise the relevant right.

Conditions for the assignment of a registration mark

10.—(1) A registration mark may not be assigned to a vehicle in pursuance of a relevant right unless the conditions specified in sub-paragraph (2) are satisfied.

(2) Those conditions are—

- (a) where the registration mark contains a single letter of the alphabet, the assignment of that mark to a vehicle would not indicate that the vehicle was first used more recently than is the case;
- (b) a vehicle licence issued under the 1971 Act is in force for the vehicle or a valid application for such a licence has been made;
- (c) the vehicle is one to which either—
 - (i) section 45 of the 1988 Act applies or would apply if the vehicle had been registered under the 1971 Act more than three years before the assignment or if no certificate of a type mentioned in paragraph 9(2)(c)(ii) were in force, or
 - (ii) section 49 of the 1988 Act applies;
- (d) the Secretary of State is satisfied as to the origins of the vehicle and the date on which it was first used; and
- (e) the vehicle is recorded as being a registered vehicle in the G.B. records, or a valid application has been made for the vehicle to become a registered vehicle in the G.B. records.

Exemption from charge

11. No charge under section 12(1) of the Finance Act 1976 shall be payable in respect of an assignment of a registration mark pursuant to the exercise of a relevant right in a case where the sum specified in paragraph 6(3) has been paid.

Non-transferability of a relevant right

12. A relevant right shall not be transferable, but without prejudice to the vesting of any such right in a person by operation of law.

Revocation of a relevant right

13. The Secretary of State may revoke a relevant right, whether or not the period in which that right is exercisable has been extended, if it appears to him that there are special reasons for doing so.

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Refunds

14.—(1) Subject to the conditions specified in sub-paragraph (2), if the Secretary of State revokes a relevant right, or if the period in which a relevant right is exercisable expires without the right having been exercised, the Secretary of State shall refund any sum specified in paragraph 6(3) which has been paid by the purchaser. No interest shall be payable on any sum refunded.

(2) Those conditions are that—

- (a) a written application for the refund is made by the purchaser;
- (b) the application is accompanied by the certificate of entitlement; and
- (c) the application is received by the Secretary of State within the period of 6 years starting with the date on which the relevant right ceased to be exercisable.

(3) The Secretary of State may retain any sum paid in accordance with paragraph 7 whether or not the application in respect of which the sum was paid is granted.

Arrangements with other persons

15. The Secretary of State may make arrangements with other persons under which those persons are—

- (a) given authority (whether or not revocable) to act on his behalf in offering for sale, and entering into agreements for the sale of, relevant rights in the case of such registration marks, and during such periods as he may determine; and
- (b) required to account to him for sums due to him under such arrangements, whether or not they have received any sums from the purchasers under the agreements.”.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations provide a new scheme for the sale of registration marks. This new scheme will replace the existing scheme and will apply in respect of applications made on or after 1 May 1993.

Under the new scheme, in addition to the purchase price of a relevant right, a sum will be payable at the time when the agreement to purchase the relevant right is made and not, as under the present scheme, at the time when the registration mark is assigned to the vehicle. That sum will be—

- (a) where the mark has previously been assigned to another vehicle, a sum equal to the amount of the charge which could have been made under section 12(1) of the Finance Act 1976 for an assignment of the mark, and
- (b) where the mark has not previously been assigned to another vehicle, a sum equal to the amount of the charge which could have been made under that subsection for the assignment of the mark if the mark had previously been assigned to another vehicle.

Provision is made for a refund of the sum if a relevant right is revoked, or if the time in which the right could have been exercised has expired.

Under the new scheme the period in which a relevant right may be exercised (one year starting with the date on which the certificate of entitlement of the right is issued) may be extended on one or

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more occasions. Each extension will be for one year starting with the date on which the relevant right would, but for the extension, have ceased to be exercisable. A fee of £25 is prescribed in respect of an application for an extension, and may be retained whether or not the application is granted.