

2006 No. 1787

EXCISE

**The Tobacco Products and Excise Goods (Amendment)
Regulations 2006**

<i>Made</i> - - - -	<i>5th July 2006</i>
<i>Laid before Parliament</i>	<i>6th July 2006</i>
<i>Coming into force</i> - -	<i>1st August 2006</i>

The Commissioners for Her Majesty's Revenue and Customs make the following Regulations in exercise of the powers conferred by sections 2(2) and 7(1) and (1A) of the Tobacco Products Duty Act 1979(a) and section 1 of the Finance (No.2) Act 1992(b):

Citation and commencement

1. These Regulations may be cited as the Tobacco Products and Excise Goods (Amendment) Regulations 2006 and come into force on 1st August 2006.

The Excise Goods (Holding, Movement, Warehousing and REDS) Regulations 1992

2.—(1) Amend regulation 2(1) of the Excise Goods (Holding, Movement, Warehousing and REDS) Regulations 1992(c) as follows.

(2) Omit the definition of “chewing tobacco”.

(3) In the definition of “excise goods”, omit the words “, other than chewing tobacco,”.

The Tobacco Products Regulations 2001

3.—(1) Amend the Tobacco Products Regulations 2001(d) as follows.

(2) After regulation 4(1) insert—

“(1A) Premises registered by the Commissioners under this regulation must not be occupied by more than one manufacturer of tobacco products.”.

(3) After regulation 5(1) insert—

(a) 1979 c.7; sections 2(1) and 7(1) and (1A) were amended by the Finance Act 2000(c.17), section 15. Section 10(3) applies the definition of “the Commissioners” in the Customs and Excise Management Act 1979(c.2); and section 1(1) of that Act (amended by the Commissioners for Revenue and Customs Act 2005(c.11), Schedule 4, paragraph 22) defines “the Commissioners”. The functions of the Commissioners of Customs and Excise were transferred to the Commissioners for Revenue and Customs by section 5(2) of the Commissioners for Revenue and Customs Act 2005.

(b) 1992 c.48. The functions of the Commissioners of Customs and Excise were transferred to the Commissioners for Revenue and Customs by section 5(2) of the Commissioners for Revenue and Customs Act 2005(c.11). Section 50(1) of that Act provides that a reference to the Commissioners of Customs and Excise shall be taken as a reference to the Commissioners for Her Majesty's Revenue and Customs.

(c) S.I. 1992/3135, to which there are amendments not relevant to these Regulations.

(d) S.I. 2001/1712, amended by S.I. 2002/2692, 2003/1523.

“(1A) Premises registered by the Commissioners under this regulation must not be occupied by more than one manufacturer of tobacco products.”.

(4) After regulation 6(1) insert:

“(1A) Where the condition imposed by regulation 4(1A) or 5(1A) above is not complied with the Commissioners must revoke the registration of the registered premises.”.

(5) Omit regulation 9(5).

(6) After regulation 12(2) insert—

“(2A) For the purposes of paragraph (2)(c), there is a contravention of duty suspension arrangements for tobacco products that are sold to a person who is not a manufacturer, unless those products are not eligible for home use.”.

(7) After regulation 23(1) insert—

“(1A) Specified tobacco products acquired by private individuals for their own use and transported by them to the United Kingdom are not required to carry a fiscal mark if—

- (a) relief from duty would have been afforded by an Order made under section 13(1) of the Customs and Excise Duties (General Reliefs) Act 1979(a), but for the fact that the quantity of those products exceeds any limit on quantity specified in the Order, and
- (b) those products are declared as required by section 78(1) of the Customs and Excise Management Act 1979(b), and
- (c) the duty on those products is paid.”.

(8) After regulation 23(2) insert—

“(2A) Specified tobacco products are not required to carry a fiscal mark if those products are not sold or offered for sale and are, upon being removed to home use, supplied by the occupier of the registered premises from which they were removed to a person who will use them solely for one or both of the following purposes—

- (a) testing quality, or
- (b) testing products that are being developed.

Paragraph (3) does not apply to specified tobacco products to which this paragraph applies.”.

(9) In regulation 25(2), after “1979” insert “(or a person who would have been afforded relief by an Order made under section 13(1) but for the fact that the quantity of the specified tobacco products exceeded any limit on quantity specified in the Order and who declared those products as required by section 78(1) of the Customs and Excise Management Act 1979 and paid the duty on them)”.

(10) After regulation 26 insert—

“**26A.** Subject to compliance with any conditions imposed by the Commissioners under section 2(2) of the Act, duty payable on tobacco products is remitted if those products are not smoked by human beings and are used solely for one or both of the following purposes—

- (a) testing quality, or
- (b) testing products that are being developed.”.

(a) 1979 c.3.
(b) 1979 c.2.

5th July 2006

Paul Gray
Mike Eland
Two of the Commissioners for Her Majesty's Revenue and Customs

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations come into force on 1st August 2006. They amend the Excise Goods (Holding, Movement, Warehousing and REDS) Regulations 1992 (S.I. 1992/3135) and the Tobacco Products Regulations 2001 (S.I. 2001/1712). These amendments:

- remove the definition of “chewing tobacco” from the Excise Goods (Holding, Movement, Warehousing and REDS) Regulations 1992,
- prevent registered tobacco factories and registered tobacco stores from being occupied by more than one manufacturer of tobacco products,
- remove the prohibition on removal of tobacco products from a registered factory to a registered store that is not occupied by the manufacturer of those products,
- for the purpose of determining the excise duty point for tobacco products, includes the sale of such products to a person who is not a manufacturer within the concept of failure to comply with duty suspension arrangements,
- enable travellers from countries outside the European Union to import unmarked tobacco products that exceed their duty-free allowance, if they pay the excise duty on those products,
- permit duty paid, but unmarked, tobacco products to be used for testing quality or testing products being developed, and
- make provision for the remission of excise duty on tobacco products that are used for testing quality and on tobacco products that are being developed; provided they will not be smoked by humans.

These Regulations have been notified to the European Commission and the other member States in accordance with Directive 98/34/EC of the European Parliament and of the Council laying down a procedure for the provision of information in the field of technical standards and regulations (OJ No. L204, 21.7.1998, p.37; as amended).

A full regulatory impact assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

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