

2007 No. 2903

CLIMATE CHANGE LEVY

**The Climate Change Levy (General) (Amendment) Regulations
2007**

<i>Made</i>	- - - -	<i>8th October 2007</i>
<i>Laid before the House of Commons</i>		<i>8th October 2007</i>
<i>Coming into force</i>	- -	<i>1st November 2007</i>

The Commissioners for Her Majesty's Revenue and Customs(a) make the following Regulations in exercise of the powers conferred by the enactments shown in Schedule 3 to this instrument.

1. These Regulations may be cited as the Climate Change Levy (General) (Amendment) Regulations 2007 and come into force on 1st November 2007.
2. They amend the Climate Change Levy (General) Regulations 2001(b) as described in Schedule 1.
3. They revoke other, spent Regulations as described in Schedule 2.
4. On 1st January 2008 they cease having effect, but subject to notes (a) to (e) to Schedule 1.

Mike Hanson
Steve Lamey

8th October 2007

Two of the Commissioners for Her Majesty's Revenue and Customs

(a) Although Schedule 6 paragraph 147 to the Finance Act 2000 (c. 17) provides that in that Schedule "the Commissioners" means those of Customs and Excise, the functions of the latter were transferred to the Commissioners for Her Majesty's Revenue and Customs by section 5(2) of the Commissioners for Revenue and Customs Act 2005 (c. 11). Section 50(1) of the latter 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.

(b) S.I. 2001/838; amended by S.I. 2002/1152, 2003/604, 2003/2633, 2005/1716, 2006/954.

SCHEDULE 1

Regulation 2

Amendments to the Climate Change Levy (General) Regulations 2001 (S.I. 2001/838)

<i>Item</i>	<i>Regulation, etc</i>	<i>Extent of amendment</i>
1.	2(1)	Omit “, “half-rate part”” and “a half-rate supply or”.
2.	5(1)(b)	For “, in Schedule 1, paragraphs 5(9G) and 8(1)(b)” substitute “Schedule 1 paragraph 8(1)(b)”.
3.	8(c)(ii)	Omit “half-rate or”.
4.	11(1)(c)	For “neither a half-rate supply nor” substitute “not”. Omit “half-rate or”.
5.	11(1)(d)	Omit.
6.	11(2)(a)	Omit “, (d)”.
7.	12(1)	Omit “, half-rate”.
8.	33, and its heading	Omit “, half-rate”.
9.	Heading to Part 3	Omit “, HALF-RATE”.
10.	34(1)	Omit “, before the time of supply,”. For “has delivered” substitute “delivers”.
11.	35(1)	For “half-rate” substitute “reduced-rate”.
12.	35(1)	Omit “, before the time of supply,”. For “has delivered” substitute “delivers”.
13.	35(2)	For “half-rate” substitute “reduced-rate”. For “43” substitute “44(1)”. For “(horticultural producers)” substitute “(reduced-rate for supplies covered by climate change agreements)”.
14.	35(3)	For “half-rate” substitute “reduced-rate”.
15.	35(4) to 35(9)	Omit.
16.	36(1)	Omit “, before the time of supply,”. For “has delivered” substitute “delivers”.
17.	37(1)	Omit “in relation to a supply the time of supply of which is”.
18.	38(1)(b)	For everything after “taxable commodity” substitute “to which regulation 34, 35 or 36 applies.”.
19.	42	Omit.
20.	47(2)	Omit the meanings given for “distribution system” and “transmission system”.
21.	48(1B)	Omit.
22.	51B(3), 51B(4)	Omit.
23.	51B(8)	Omit “(3),”.
24.	51H(4)	Omit “, half-rate”.
The following amendments are to the heading to and given paragraphs of Schedule 1 to S.I. 2001/838.		
25.	Heading	Omit “, HALF-RATE”.
26.	1	Omit “or that otherwise includes a reduced-rate part”.
27.	2	Omit “+ 0.5H” from the CCL relief formula. Omit everything from “0.5H =” to “horticultural producers).”.
28.	2A	Omit.

29.	3(1)	For everything from “regulation 35(2)” to “(certain reduced-rates)” substitute “regulation 35(2) or 36(2) (reduced-rates)”.
30.	5(7)	After “24(3)” insert “, or paragraph 45A,”. After “etc” insert “or Reduced-rate supplies: deemed supply”.
31.	5(8)	After “24(3)” insert “or 45A(2)”.
32.	5(9)	After “40” insert “, 45A(2)(a)”.
33.	5(9C)(a)	After “paragraph 24(3)” insert “or 45A(2)”.
34.	5(9G)	Omit.
35.	5(11)	Omit.
36.	6(1)(c)	For “neither a half-rate supply nor” substitute “not”. Omit “half-rate or”.
37.	6(1)(d)	Omit.
38.	9C(6)	For “5(9G)” substitute “5(9F)”.

Notes:

- (a) The amendments at Items 1 to 9, 11 to 14, 19, 24, 25, 27, 29, 34, and 36 to 38 do not apply in relation to a half-rate supply made before 1st April 2006(a).
(For “half-rate supply”, see the meaning given by Schedule 6 paragraphs 147 and 43 to the Finance Act 2000 (c. 17) before the amendments made by sections 172(15) and 172(12) of the Finance Act 2006 (c. 25) and S.I. 2007/2901 (C. 113).
Sections 172(3) to 172(6) of the Finance Act 2006 apply for determining when a supply is to be regarded as made for the purposes of this note.)
- (b) In relation to a reduced-rate supply or a supply made on that basis(b), those at Items 11, 13, 14, 18, 26, 29 to 33, and 35 only apply if the supply is made(c) on or after 1st November 2007.
- (c) Those at Items 10, 12, 16 and 17 only apply to a supply that is treated as taking place(d) on or after 1st November 2007.
- (d) Those at Items 21 to 23 only apply in relation to figures that have not been disregarded before 1st November 2007 under regulation 48(1B) or 51B(3) of S.I. 2001/838.
- (e) All the amendments described in this Schedule are unaffected by regulation 4.

SCHEDULE 2

Regulation 3

Instruments revoked

1. The Climate Change Levy (General) (Amendment) Regulations 2002(e).
2. The Climate Change Levy (General) (Amendment) Regulations 2003(f).
3. The Climate Change Levy (General) (Amendment) (No. 2) Regulations 2003(g).
4. The Climate Change Levy (Miscellaneous Amendments) Regulations 2005(h) (but see note (b)).

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- (a) The Finance Act 2006 (c. 25) section 172(1) provides that no supply made on or after 1st April 2006 is a half-rate supply.
(b) About which see the Finance Act 2000 (c. 17) Schedule 6 paragraph 45A, inserted by the Finance Act 2007 (c. 11) Schedule 2 paragraph 9 and S.I. 2007/2902 (C. 114).
(c) About which see the Finance Act 2000 (c. 17) Schedule 6 paragraphs 44(1)(b) and 45A(1), as respectively substituted and inserted by the Finance Act 2007 (c. 11) Schedule 2 paragraphs 7 and 9 and S.I. 2007/2902 (C. 114).
(d) The Finance Act 2000 (c. 17) Schedule 6 Part 3 applies to determine when a supply is treated as taking place.
(e) S.I. 2002/1152.
(f) S.I. 2003/604.
(g) S.I. 2003/2633.
(h) S.I. 2005/1716.

5. The Climate Change Levy (General) (Amendment) Regulations 2006(a).

Notes:

- (a) This does not affect their respective amendments to S.I. 2001/838 or S.I. 2001/7 (including the operation of the transitional amendments made to S.I. 2001/838 by S.I. 2006/954).
- (b) Item 4 does not affect the transitional provisions in regulation 6 of S.I. 2005/1716 (tax credit claims and corrections to over-estimated relief).

SCHEDULE 3

Preamble

Powers exercised in making these Regulations

<i>Paragraph of Schedule 6 to the Finance Act 2000 (c. 17) (climate change levy)</i>	<i>Nature of paragraph</i>	<i>Amendments, modifications, etc.</i>
19	Exemption: electricity from renewable sources	Finance Act 2002 (c. 23) section 126 and S.I. 2003/2622 (C. 99).
20A	Exemption: electricity produced in combined heat and power stations	Finance Act 2002 (c. 23) section 123 and S.I. 2003/603 (C. 31).
22	Giving effect to exemptions and exclusions	
39(1)	Time of supply	Finance Act 2007 (c. 11) Schedule 2 paragraphs 6 and 13(2), and S.I. 2007/2902 (C. 114).
41	Returns and payment of levy	Finance Act 2003 (c. 14) sections 192(1), 192(2) and 216, and Schedule 43 Part 4(2).
43(4), 43(5)	Half-rate supplies	Finance Act 2006 (c. 25) sections 172(8), 172(12) and 178 and Schedule 26 Part 8(1), and S.I. 2007/2901 (C. 113).
44(3), 44(4)	Reduced-rate supplies	Finance Act 2007 (c. 11) Schedule 2 paragraphs 7 and 13(2), and S.I. 2007/2902 (C. 114).
53(4)	Registration	Finance Act 2003 (c. 14) sections 192(1) and 192(3).

(a) S.I. 2006/954.

59(1), 59(2)	Correction of the register, etc.	
60(1)	Notifications about register, etc.	
62	Tax credits	Finance Act 2003 (c. 14) sections 192(1) and 192(4). Finance Act 2006 (c. 25) sections 172(8), 172(13) and 178 and Schedule 26 Part 8(1), and S.I 2007/2901 (C. 113).
114(1), 114(2)	Non-resident taxpayers: appointment of tax representatives	
125	Records	Finance Act 2003 (c. 14) sections 192(1) and 192(9).
146	Regulations	Finance Act 2003 (c. 14) section 188(2)(c).
147	Interpretation: general	Finance Act 2003 (c. 14) section 188(2). Finance Act 2006 (c. 25) sections 172(8), 172(15) and 178 and Schedule 26 Part 8(1), and S.I. 2007/2901 (C. 113). Finance Act 2007 (c. 11) Schedule 2 paragraph 10 and S.I. 2007/2902 (C. 114).
149A	Certification of electricity from fully or partly exempt combined heat and power station	Finance Act 2002 (c. 23) section 124.

EXPLANATORY NOTE

(This note is not part of the Regulations)

Regulation 2 of and Schedule 1 to these Regulations make many amendments to the Climate Change Levy (General) Regulations 2001 (S.I. 2001/838). The amendments can be considered in four groups (which are not mutually exclusive).

The first group reflects the abolition of climate change levy's half-rate supplies^(a). This group comprises Items 1 to 9, 11, 13 to 15, 19, 24, 25, 27 to 29, 34, and 36 to 38 in Schedule 1.

The second group fully integrates reduced-rate supplies into the existing system for administering the levy's reliefs^(b). This group comprises Items 11, 13, 14, 18, 26, 29 to 33, and 35 in that Schedule.

The third group abolishes the requirement of that system for the energy supplier to receive the certificate claiming levy reliefs before the time of the supply. This group comprises Items 10, 12, 16 and 17 in that Schedule.

The fourth group abolishes the requirement for certifying authorities to disregard figures received after a prescribed time as part of the levy's certification process for electricity from renewable sources and combined heat and power stations. This group comprises Items 21 to 23 in that Schedule (with Item 20 omitting a spent definition relating to electricity from renewable sources).

Regulation 3 and Schedule 2 revoke spent instruments that made earlier amendments to S.I. 2001/838 and S.I. 2001/7.

A full impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.

(a) As of 1st April 2006 under section 172 of the Finance Act 2006 (c. 25).

(b) This complements the changes made to the primary legislation for the reduced-rate regime by Schedule 2 to the Finance Act 2007 (c. 11) and S.I. 2007/2902 (C. 114).

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