
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations appoint the days on which the amendments made by section 179 of the Finance Act 2016 (c. 24) (“FA 2016”) come into force. The amendments introduce a scheme prohibiting any person from carrying out any activity involving raw tobacco, unless the person holds an approval given by Her Majesty’s Revenue and Customs (“HMRC”).

Section 179(1) of FA 2016 inserts new sections 8K to 8U into the Tobacco Products Duty Act 1979 (c. 7) (“TPDA 1979”). The general prohibition from carrying out any activity involving raw tobacco without approval is provided for by new section 8L(1) of the TPDA 1979. Except for section 8L(1), sections 8K to 8U come into force on 6th December 2016. Section 8L(1) comes into force on 1st April 2017.

Section 179(2) of FA 2016 amends section 9 (regulations) of TPDA 1979 such that a statutory instrument made under sections 8M, 8N or 8U is subject to annulment in pursuance of resolution of the House of Commons. The amendments made by this subsection (2) come into force on 6th December 2016.

Section 179(3) of FA 2016 amends section 13A(2) (customs and excise reviews and appeals) of the Finance Act 1994 (c. 9) (“FA 1994”) to include any decision made by HMRC as to the liability or the amount of a penalty under section 8O of TPDA 1979. The amendments made by this subsection (3) come into force on 6th December 2016. But no penalty can arise under section 8O until new section 8L(1) comes into force on 1st April 2017.

Section 179(4) of FA 2016 amends Schedule 5 (decisions subject to review and appeal) of FA 1994 to include the refusal of an approval, the imposition of conditions to an approval or the variation or revocation of an approval to be subject to review and appeal. The amendments made by this subsection (4) come into force on 6th December 2016.

A Tax Information and Impact Note has not been prepared for these Regulations as they give effect to previously announced policy and are appointed day regulations.