



Finance Act 1987

1987 CHAPTER 16

PART 1

CUSTOMS AND EXCISE AND VALUE ADDED TAX

CHAPTER I

CUSTOMS AND EXCISE

Duties of excise

1 Unleaded petrol.

- (1) After section 13 of the ^{M1}Hydrocarbon Oil Duties Act 1979 there shall be inserted the following section—

“13A Rebate on unleaded petrol.

- (1) On unleaded petrol charged with the excise duty on hydrocarbon oil and delivered for home use there shall be allowed at the time of delivery a rebate of duty at the rate of £0.0096 a litre.
- (2) For the purposes of this section petrol is “unleaded” if it contains not more than 0.013 grams of lead per litre of petrol or, if the petrol is delivered for home use before 1st April 1990, not more than 0.020 grams of lead per litre of petrol.
- (3) Rebate shall not be allowed under this section in any case where it is allowed under section 14 below.”
- (2) In section 24 of that Act (control of use of duty-free and rebated oil) in subsection (1) (power of Commissioners to make regulations) after the words “section 12” there shall be inserted “ section 13A ”.

Status: Point in time view as at 01/02/1991.

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- (3) In section 27 of that Act (interpretation) in the definition of “rebate” after the words “section 11” there shall be inserted “ 13A ”.
- (4) This section shall be deemed to have come into force at 6 o’clock in the evening of 17th March 1987.

Marginal Citations

M1 1979 c. 5.

2 Part I Vehicles excise duty.

- (1) The ^{M2}Vehicles (Excise) Act 1971 and the ^{M3}Vehicles (Excise) Act (Northern Ireland) 1972 shall be amended in accordance with this section.
- (2) In Schedule 4 to each of the Acts of 1971 and 1972 (annual rates of duty on goods vehicles)—
- (a) in Part I, in sub-paragraph (2) of paragraph 6 (farmer’s goods vehicle or showman’s goods vehicle having a plated gross weight or a plated train weight) in paragraph (b) (weight exceeding 75 tonnes but not exceeding 12 tonnes) for “£155” (which applies to farmers’ goods vehicles only) there shall be substituted “£175”; and
 - (b) ^{F1}
- (3) In section 16 of the Act of 1971, in subsection (5) (annual rates of duty for trade licences), including that subsection as set out in paragraph 12 of Part I of Schedule 7 to that Act, for “£70” and “£14” there shall be substituted respectively “£85” and “£17”.
- (4) In section 16 of the Act of 1972, in subsection (6) (annual rates of duty for trade licences), including that subsection as set out in paragraph 12 of Part I of Schedule 9 to that Act, for “£70” and “£14” there shall be substituted respectively “£85” and “£17”.
- (5) The amendments of the Acts of 1971 and 1972 set out in Part II of Schedule 1 to this Act shall have effect for the purpose of, and in connection with, establishing recovery vehicles as a class of vehicles chargeable with a specific duty of excise.
- (6) The Acts of 1971 and 1972 and section 102 of the ^{M4}Customs and Excise Management Act of 1979, as it applies in relation to licences under the Act of 1971, shall have effect subject to the further amendments in Part III of Schedule 1 to this Act.
- (7) Subsection (2) above applies in relation to licences taken out after 17th March 1987; and subsections (3) to (5) above apply in relation to licences taken out after 31st December 1987.
- (8) In Part III of Schedule 1 to this Act—
- (a) paragraphs 8 to 11 shall not affect any amount payable in respect of any day before the day on which this Act is passed,
 - (b) paragraphs 12 and 13 shall not affect any amount payable in respect of, or any part of, the calendar month in which this Act is passed or in respect of, or any part of, any previous calendar month, and
 - (c) paragraphs 20 and 21 shall not affect the penalty for an offence committed before the passing of this Act,

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but, subject to that, that Part of that Schedule shall come into force on the passing of this Act.

Textual Amendments

- F1** S. 2(2)(b) repealed by [Finance Act 1990 \(c. 29, SIF 107:2\)](#), s. 132, [Sch. 19 Pt. II](#) (in relation to licences taken out after 20.3.1990)

Marginal Citations

- M2** 1971 c. 10.
M3 1972 c. 10 (N.I.)
M4 1979 c. 2.

3 Abolition of general betting duty on on-course bets.

- (1) General betting duty shall not be chargeable on any bet made on or after 29th March 1987 which is an on-course bet within the meaning of Part I of the ^{M5}Betting and Gaming Duties Act 1981 (in this section referred to as “the 1981 Act”) and, accordingly, with respect to bets made on or after that date, section 1 of the 1981 Act (charge to, and rates of, duty) shall be amended as follows—
- (a) in subsection (1) after the words “on any bet” there shall be inserted “ which is not an on-course bet and ”; and
 - (b) in subsection (2) the words from the beginning of paragraph (a) to “bet” in paragraph (b) shall be omitted.
- (2) With respect to bets made on or after 29th March 1987 but before the betting commencement date within the meaning of section 6 of the ^{M6}Finance Act 1986, Part III of the ^{M7}Miscellaneous Transferred Excise Duties Act (Northern Ireland) 1972 (in this section referred to as “the 1972 Act”) (which made separate provision for Northern Ireland corresponding to that made by the 1981 Act and which ceased to have effect on the betting commencement date except in relation to bets made before that date) shall be deemed to have been amended as follows—
- (a) in section 16(1) (charge of duty) after the words “on any bet” there shall be inserted “ which is not an on-course bet and ”; and
 - (b) in section 17 (rates of duty) in subsection (1) paragraph (a) and, in paragraph (b), the words from the beginning to “bet” shall be omitted.
- (3) In Schedule 1 to the 1981 Act (supplementary provisions)—
- (a) in paragraph 1 (definitions) at the end of the definition of “general betting business” there shall be added the words “ or would or might involve such sums becoming so payable if on-course bets were not excluded from that duty ”; and
 - (b) in paragraph 2 (power to make regulations for administration of general betting duty) in sub-paragraph (4)(a) after the words “liable for duty” there shall be inserted “ or would be or might be or become liable for duty if on-course bets were not excluded from duty ”.
- (4) The amendments made by subsection (3) above shall be deemed to have come into force on 29th March 1987.
- (5) During the period beginning with 29th March 1987 and ending with the betting commencement date within the meaning of section 6 of the Finance Act 1986, in

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Schedule 2 to the 1972 Act (supplementary provisions) the references to a business which involves, or may involve, general betting duty becoming payable by any person and the references to any activity by reason of which a person is or may be or become liable for that duty shall be deemed to have included respectively references to a business which would or might involve that duty becoming payable, and to an activity by reason of which a person would be or might be or become liable for that duty, if on-course bets were not excluded from that duty.

Marginal Citations

M5 1981 c. 63.
M6 1986 c. 41.
M7 1972 c. 11 (N.I).

4 Gaming machine licence duty: rates.

With respect to licences for any period beginning on or after 1st June 1987, for the Tables set out in section 23(1) of the ^{M8}Betting and Gaming Duties Act 1981 there shall be substituted the following Tables—

Table A

SMALL-PRIZE MACHINES

Description of machines authorised by the licence	Duty on whole-year licence
	£
Chargeable at the lower rate0 at the higher rate0	150 per machine375 per machine

Table B

OTHER MACHINES

Description of machines authorised by the licence	Duty on whole-year licence
	£
Chargeable at the lower rate0 at the higher rate0	375 per machine960 per machine

Marginal Citations

M8 1981 c. 63.

5 Gaming machine licence duty: other amendments.

(1) With respect to licences for any period beginning on or after 1st October 1987, in the Betting and Gaming Duties Act 1981 (in this section referred to as “the 1981 Act”)

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for subsection (3) of section 21 (which specifies the periods for which licences may be granted) there shall be substituted the following subsection—

“(3) A gaming machine licence may be a whole-year, a half-year or a quarter-year licence and shall be granted for a period of twelve, six or three months beginning with the first day of any month.”

(2) In subsection (3) of section 26 of the 1981 Act (which provides that if one or more gaming machines are made available on any premises in such a way that they can be played, any gaming machine anywhere on the premises shall be treated as provided for gaming) after the word “and” there shall be inserted “subject to subsection (3A) below”.

(3) After subsection (3) of the said section 26 there shall be inserted the following subsection—

“(3A) The Commissioners may by regulations make provision for the purpose of enabling spare gaming machines to be kept on premises for use in the case of the breakdown of other gaming machines on those premises; and such regulations may provide that, in such circumstances and subject to such conditions as may be specified in the regulations, a gaming machine on any premises which is not made available as mentioned in subsection (3) above, or is not in a state in which it can be played, shall not be treated by virtue of that subsection as provided for gaming on those premises.”

(4) With effect from 1st October 1987, in Schedule 4 to the 1981 Act at the beginning of paragraph 4 (months preceding and following licences for summer months) there shall be inserted the words “Subject to subparagraph (2) below” and at the end of that paragraph there shall be added the following sub-paragraph—

“(2) Sub-paragraph (1) above shall not apply in relation to the provision of a machine on any premises—

- (a) during March of any year, if any person has become entitled to a repayment of duty under paragraph 11 below on the surrender of a licence in respect of those premises or any machine on those premises during the preceding February,
- (b) during October of any year, if any person has become entitled to such a repayment on the surrender of such a licence during the preceding March, June or September.”

(5) With respect to the surrender of licences on or after 1st October 1987, in Schedule 4 to the 1981 Act, in sub-paragraph (1) of paragraph 11 (surrender of licences) for the words from “be entitled” onwards there shall be substituted “be entitled to a repayment of duty, in respect of each complete month in the unexpired period of the licence, of an amount equal—

- (a) in the case of a whole-year licence, to one-twelfth of the duty paid on the grant of the licence, and
- (b) in the case of a half-year licence, to one-twelfth of the duty that would have been payable on the grant of the licence if it had been a whole-year licence.”

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Amendments of the Management Act

6 Access to approved wharves and transit sheds.

(1) At the end of section 20 of the ^{M9}Customs and Excise Management Act 1979 (approved wharves) there shall be added the following subsection—

“(4) An officer may at any time enter an approved wharf and inspect it and any goods for the time being at the wharf.”

(2) At the end of section 25 of that Act (approval of transit sheds) there shall be added the following subsection—

“(5) An officer may at any time enter a transit shed and inspect it and any goods for the time being in the transit shed.”

Marginal Citations

M9 1979 c.2.

7 Powers of search and access etc. in respect of vehicles. 1979 c. 2.

(1) In section 27 of the Customs and Excise Management Act 1979 (officers’ power of boarding) in subsection (1) for the words from “a vehicle” to “any officer” there shall be substituted “a vehicle is—

- (a) entering, leaving or about to leave the United Kingdom,
- (b) within the prescribed area,
- (c) within the limits of or entering or leaving a port or any land adjacent to a port and occupied wholly or mainly for the purpose of activities carried on at the port,
- (d) at, entering or leaving an aerodrome,
- (e) at, entering or leaving an approved wharf, transit shed, customs warehouse or free zone, or
- (f) at, entering or leaving any such premises as are mentioned in subsection (1) of section 112 below,

any officer”.

(2) In section 28 of that Act (officers’ powers of access, etc.) in subsection (1) after the words “any vehicle” there shall be inserted “ which falls within paragraphs (a) to (f) of subsection (1) of section 27 above or is ”.

8 Local export control.

(1) In section 58A of the Customs and Excise Management Act 1979 (local export control) at the end of subsection (1) there shall be inserted “ and, subject to and to such modifications as may be specified in the directions, this section and section 58D below shall apply in relation to goods which, for the purposes of any Community regulation relating to export refunds or monetary compensatory amounts, are treated as exports as if the supply of the goods were their exportation or, as the case may require, their shipping for exportation ”.

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- (2) In subsection (3)(b) of that section (conditions for the application of local export control) after the word “shipped” there shall be inserted “ for exportation or exported by land ”.
- (3) After subsection (7) of that section (power of Commissioners to relax requirements) there shall be inserted—
 - “(7A) Without prejudice to the powers of the Commissioners under subsection (7) above, they may direct that, in relation to goods of a description specified in the directions which are shipped for exportation or exported by land by an exporter of a description so specified, paragraph (a) of subsection (3) above shall have effect as if—
 - (a) in sub-paragraph (i) the words “time and” were omitted; and
 - (b) for sub-paragraph (ii) there were substituted—
 - (ii) at the time that notice is delivered or immediately thereafter, the exporter enters such particulars of the goods and of such other matters as may be required by the directions in a record maintained by him at such place as the proper officer may require; and
 - (iii) the proper officer informs the exporter that he consents to the removal of the goods; and”
- (4) In section 58D of that Act (operative date for Community purposes) in subsection (2) (b) for the words following “above” there shall be substituted “ as set out in section 58A(7A)(b) above, the day entry is made ”.

9 Records relating to importation and exportation.

After section 75 of the ^{M10}Customs and Excise Management Act 1979 there shall be inserted the following—

“ Keeping and preservation of records

75A Records relating to importation and exportation.

- (1) Every person who is concerned (in whatever capacity) in the importation or exportation of goods of which an entry or specification is required for that purpose by or under this Act shall keep such records as the Commissioners may require.
- (2) The Commissioners may require any records kept in pursuance of this section to be preserved for such period not exceeding four years as they may require.
- (3) The duty under this section to preserve records may be discharged by the preservation of the information contained therein by such means as the Commissioners may approve; and where that information is so preserved a copy of any document forming part of the records shall, subject to the following provisions of this section, be admissible in evidence in any proceedings, whether civil or criminal, to the same extent as the records themselves.
- (4) The Commissioners may, as a condition of an approval under subsection (3) above of any means of preserving information, impose such reasonable

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requirements as appear to them necessary for securing that the information will be as readily available to them as if the records themselves had been preserved.

- (5) The Commissioners may at any time for reasonable cause revoke or vary the conditions of any approval given under subsection (3) above.
- (6) A statement contained in a document produced by a computer shall not by virtue of subsection (3) above be admissible in evidence—
 - (a) in civil proceedings in England and Wales, except in accordance with sections 5 and 6 of the Civil Evidence Act 1968;
 - (b) in criminal proceedings in England and Wales, except in accordance with sections 68 to 70 of the Police and Criminal Evidence Act 1984;
 - (c) in civil proceedings in Northern Ireland, except in accordance with sections 2 and 3 of the Civil Evidence Act (Northern Ireland) 1971; and
 - (d) in criminal proceedings in Northern Ireland, except in accordance with the said sections 2 and 3, which shall, for the purposes of this section, apply with the necessary modifications to such proceedings.”

Marginal Citations

M10 1979 c. 2.

10 Information powers.

In section 77 of the ^{M11}Customs and Excise Management Act 1979 (information in relation to goods imported, exported or shipped for carriage coastwise) in subsection (1)(a) the words “importation, exportation or” shall be omitted, and after that section there shall be inserted the following section—

“77A Information powers.

- (1) Every person who is concerned (in whatever capacity) in the importation or exportation of goods for which an entry or specification is required for that purpose by or under this Act shall—
 - (a) furnish to the Commissioners, within such time and in such form as they may reasonably require, such information relating to the goods or to the importation or exportation as the Commissioners may reasonably specify; and
 - (b) if so required by an officer, produce or cause to be produced for inspection by the officer—
 - (i) at the principal place of business of the person upon whom the demand is made or at such other place as the officer may reasonably require, and
 - (ii) at such time as the officer may reasonably require,
 any documents relating to the goods or to the importation or exportation.
- (2) Where, by virtue of subsection (1) above, an officer has power to require the production of any documents from any such person as is referred to in that subsection, he shall have the like power to require production of the documents concerned from any other person who appears to the officer to be in possession

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of them; but where any such other person claims a lien on any document produced by him, the production shall be without prejudice to the lien.

- (3) An officer may take copies of, or make extracts from, any document produced under subsection (1) or subsection (2) above.
- (4) If it appears to him to be necessary to do so, an officer may, at a reasonable time and for a reasonable period, remove any document produced under subsection (1) or subsection (2) above and shall, on request, provide a receipt for any document so removed; and where a lien is claimed on a document produced under subsection (2) above, the removal of the document under this subsection shall not be regarded as breaking lien.
- (5) Where a document removed by an officer under subsection (4) above is reasonably required for the proper conduct of a business, the officer shall, as soon as practicable, provide a copy of the document, free of charge, to the person by whom it was produced or caused to be produced.
- (6) Where any documents removed under the powers conferred by this section are lost or damaged, the Commissioners shall be liable to compensate their owner for any expenses reasonably incurred by him in replacing or repairing the documents.
- (7) If any person fails to comply with a requirement under this section, he shall be liable on summary conviction to a penalty of level 3 on the standard scale.”

Marginal Citations

M11 1979 c. 2.

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