



Finance Act 2006

2006 CHAPTER 25

PART 9

MISCELLANEOUS PROVISIONS

Landfill tax

170 Rate of landfill tax

- (1) In section 42 of FA 1996 (amount of landfill tax) for the amount specified in subsection (1)(a), and the corresponding amount specified in subsection (2), substitute “£21”.
- (2) The amendments made by this section have effect in relation to taxable disposals made, or treated as made, on or after 1st April 2006.

Climate change levy

171 Climate change levy: rates

- (1) In Schedule 6 to FA 2000 (climate change levy) for the Table in paragraph 42(1) (amount payable by way of levy) substitute—

TABLE

<i>Taxable commodity supplied</i>	<i>Rate at which levy payable if supply is neither a half-rate supply nor a reduced-rate supply</i>
Electricity	£0.00441 per kilowatt hour
Gas supplied by a gas utility or any gas supplied in a gaseous state that is of a kind supplied by a gas utility	£0.00154 per kilowatt hour

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<i>Taxable commodity supplied</i>	<i>Rate at which levy payable if supply is neither a half-rate supply nor a reduced-rate supply</i>
Any petroleum gas, or other gaseous hydrocarbon, supplied in a liquid state	£0.00985 per kilogram
Any other taxable commodity	£0.01201 per kilogram

- (2) This section has effect in relation to supplies treated as taking place on or after 1st April 2007.

172 Abolition of half-rate supplies etc

- (1) For the purposes of climate change levy, no supply made on or after 1st April 2006 is a half-rate supply.
- (2) Subsections (3) to (6) have effect for determining when a supply is to be regarded as made for the purposes of subsection (1).
- (3) A supply—
- of electricity, or
 - of gas that is in a gaseous state and is of a kind supplied by a gas utility,
- is to be regarded as made at the time when the electricity or gas is actually supplied.
- (4) In the case of a supply of a taxable commodity not falling within subsection (3) by a person who is resident in the United Kingdom—
- if the commodity is to be removed, the supply is to be regarded as made at the time of the removal,
 - if the commodity is not to be removed, the supply is to be regarded as made when the commodity is made available to the person to whom it is supplied.

This subsection does not apply if subsection (6) (deemed self-supply) applies in the case of the supply.

- (5) In the case of a supply of a taxable commodity not falling within subsection (3) by a person who is not resident in the United Kingdom, the supply is to be regarded as made—
- when the commodity is delivered to the person to whom it is supplied, or
 - if earlier, when it is made available in the United Kingdom to that person.

This subsection does not apply if subsection (6) (deemed self-supply) applies in the case of the supply.

- (6) In any case where, by virtue of paragraph 23(3) of Schedule 6 to FA 2000, a person is, for the purposes of that Schedule, deemed to make a supply to himself of a quantity of a taxable commodity—
- which he has produced, and
 - which does not fall within subsection (3),
- the supply is to be regarded as made at the time when he produced that particular quantity of the taxable commodity.

- (7) In paragraph 34 of Schedule 6 to FA 2000 (deemed supplies of commodities other than electricity and certain gas), in sub-paragraph (2) omit the words “(or, in the case of

- electricity, consumed)” (which are unnecessary, because the paragraph does not apply in the case of electricity).
- (8) In consequence of subsection (1), Schedule 6 to FA 2000 (climate change levy) is amended as follows.
- (9) In paragraph 37 (supplies of electricity or gas spanning change of rate etc) in sub-paragraph (1)(c) omit “half-rate supplies or”.
- (10) In paragraph 38 (other supplies spanning change of rate etc) in sub-paragraph (1)(c) omit “half-rate supplies or”.
- (11) In paragraph 42(1) (amount payable by way of levy)—
- (a) in paragraph (a), for “neither a half-rate supply nor” substitute “not”;
 - (b) omit paragraph (b);
 - (c) in paragraph (c), for “neither a half-rate supply nor” substitute “not”;
 - (d) in the Table (and in the Table substituted for it by section 171 of this Act), in the heading to column (2), for “neither a half-rate supply nor” substitute “not”.
- (12) Paragraph 43 (half-rate for supplies to horticultural producers) shall cease to have effect.
- (13) In paragraph 62 (tax credits) in subsection (1)—
- (a) in paragraph (c)—
 - (i) for “neither a half-rate supply nor” substitute “not”;
 - (ii) omit “half-rate or”;
 - (b) omit paragraph (d).
- (14) In paragraph 101 (civil penalties: incorrect notifications) in sub-paragraph (2)(a)—
- (a) at the end of sub-paragraph (ii) insert “or”;
 - (b) omit sub-paragraph (iii).
- (15) In paragraph 147 (interpretation: general) omit the definition of “half-rate supply”.
- (16) Subsections (8) to (15) come into force on such day as the Treasury may by order made by statutory instrument appoint.
- (17) The power to make an order under subsection (16)—
- (a) may be exercised so as to bring a provision into force only in such cases as may be described in the order,
 - (b) may be exercised so as to make different provision for different cases or descriptions of case,
 - (c) includes power to make incidental, consequential, supplemental or transitional provision or savings.

International tax arrangements

173 International tax enforcement arrangements

- (1) If Her Majesty by Order in Council declares that—
- (a) arrangements relating to international tax enforcement which are specified in the Order have been made in relation to any territory or territories outside the United Kingdom, and

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- (b) it is expedient that those arrangements have effect, those arrangements have effect (and do so in spite of anything in any enactment or instrument).
- (2) For the purposes of subsection (1) arrangements relate to international tax enforcement if they relate to any or all of the following—
- (a) the exchange of information foreseeably relevant to the administration, enforcement or recovery of any UK tax or foreign tax;
 - (b) the recovery of debts relating to any UK tax or foreign tax;
 - (c) the service of documents relating to any UK tax or foreign tax.
- (3) In this section—
- “UK tax” means any tax or duty imposed under the domestic law of the United Kingdom, and
 - “foreign tax” means any tax or duty imposed under the law of the territory, or any of the territories, in relation to which the arrangements have been made.
- (4) Where any arrangements have effect by virtue of this section, no obligation of secrecy (whether imposed by statute or otherwise)—
- (a) prevents any Minister of the Crown, or person with responsibilities in any government department, from disclosing to the Commissioners for Her Majesty’s Revenue and Customs or any authorised Revenue and Customs official any information which is authorised to be disclosed in accordance with the arrangements to any authorised officer of the authorities of the territory, or any of the territories, in relation to which the arrangements have been made, or
 - (b) prevents the Commissioners for Her Majesty’s Revenue and Customs or any authorised Revenue and Customs official from disclosing to any such authorised officer any information which is authorised to be so disclosed in accordance with the arrangements.
- (5) But neither the Commissioners for Her Majesty’s Revenue and Customs nor any authorised Revenue and Customs official may disclose any information in pursuance of any arrangements having effect by virtue of this section to any authorised officer of the authorities of the territory, or any of the territories, in relation to which the arrangements have been made unless satisfied that the authorities of the territory concerned are bound by, or have undertaken to observe, rules of confidentiality with respect to the information which are not less strict than those applying to it in the United Kingdom.
- (6) An Order in Council made under this section revoking an earlier such Order may contain any transitional provisions that appear appropriate.
- (7) An Order under this section is not to be submitted to Her Majesty in Council unless a draft of the Order has been laid before and approved by a resolution of the House of Commons.
- (8) Any provisions which—
- (a) are included in an Order in Council made under any of the provisions specified in subsection (10),
 - (b) are in force immediately before the passing of this Act, and
 - (c) could have been included in an Order in Council under this section had the Order in Council been made after that time,
- have effect after that time as if included in an Order in Council under this section.

- (9) If any such provisions relate to arrangements covering UK taxes or foreign taxes (or both) other than those in relation to which the Order in Council had effect, the provisions also have effect after the passing of this Act (by virtue of subsection (8)) in relation to those other UK taxes or foreign taxes (or both).
- (10) The provisions referred to in subsection (8)(a) are—
- (a) sections 788 and 815C of ICTA (international arrangements relating to income tax, corporation tax and capital gains tax and analogous foreign taxes), and
 - (b) sections 158 and 220A of IHTA 1984 (international arrangements relating to inheritance tax and analogous foreign taxes).
- (11) In this section “Revenue and Customs official” has the same meaning as in section 18 of the Commissioners for Revenue and Customs Act 2005 (c. 11) (confidentiality).

174 Arrangements under section 173: information powers

- (1) Subsections (1) to (8) and (8C) to (9) of section 20 of TMA 1970 (powers to call for information relevant to liability to income tax, corporation tax or capital gains tax), and sections 20B, 20BB and 20D of that Act so far as relating to those subsections, have effect as if—
- (a) the references in those provisions to tax liability included liability to relevant foreign tax, and
 - (b) the references to tax included relevant foreign tax,
(but subject to subsection (3)).
- (2) “Relevant foreign tax” means any tax or duty—
- (a) imposed under the law of a territory in relation to which arrangements having effect by virtue of section 173 have been made, and
 - (b) covered by the arrangements.
- (3) In their application by virtue of subsection (1) the provisions mentioned in that subsection have effect as if—
- (a) the reference in section 20(7A) to any provision of the Taxes Acts were to any provision of the law of the territory concerned,
 - (b) the reference in subsection (2) of section 20B to an appeal were to an appeal, review or similar proceedings under the law of that territory, and
 - (c) the reference in subsection (6) of that section to the Crown were to that territory.

175 Arrangements under section 173: recovery of debts

- (1) The Treasury may by regulations make provision for the recovery in the United Kingdom of debts relating to any relevant foreign tax pursuant to arrangements having effect by virtue of section 173.
- (2) “Relevant foreign tax” means any tax or duty—
- (a) imposed under the law of a territory in relation to which such arrangements have been made, and
 - (b) covered by the arrangements.

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- (3) Regulations under this section may make provision for the taking of action to recover debts relating to any relevant foreign tax by way of legal proceedings, distress, diligence or otherwise.
- (4) Such provision may in particular be made by applying, with any appropriate modifications, any enactment or rule of law that applies in relation to the recovery of any tax or duty imposed under the domestic law of the United Kingdom (including any enactment relating to penalties or interest on unpaid amounts).
- (5) The power to make regulations under this section is exercisable by statutory instrument.
- (6) A statutory instrument containing regulations under this section is subject to annulment in pursuance of a resolution of the House of Commons.

176 Double taxation agreements: procedure

In section 788 of ICTA (relief by agreement with other territories), for subsection (10) substitute—

“(10) An Order under this section is not to be submitted to Her Majesty in Council unless a draft of the Order has been laid before and approved by a resolution of the House of Commons.”

Disclosure of information

177 Disclosure of information

- (1) After section 352 of the Gambling Act 2005 (c. 19) (disclosure of information: data protection) insert—

“352A Wrongful disclosure

- (1) Where the Commissioners for Her Majesty’s Revenue and Customs provide information to a person under this Act, section 19 of the Commissioners for Revenue and Customs Act 2005 (wrongful disclosure) shall apply to the disclosure of the information by the person as it applies to the disclosure of information in contravention of a provision of that Act.
- (2) But section 19 shall not apply to disclosure—
 - (a) in accordance with this Act,
 - (b) in accordance with another enactment, or
 - (c) in circumstances specified in section 18(2)(c), (d), (e) or (h) of that Act.
- (3) In subsection (1)—
 - (a) information provided to a person shall be treated as being provided both to him and to any person on whose behalf he acts or by whom he is employed, and
 - (b) the reference to disclosure by the person to whom information was provided includes a reference to disclosure by any person acting on behalf of, or employed by, the person to whom the information was

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provided (or a person to whom it is treated as being provided by virtue of paragraph (a)).

- (4) In the application of section 18(2)(c) and (d) of that Act by virtue of subsection (2)(c) above a reference to functions of the Revenue and Customs shall be taken as a reference to functions of the person making the disclosure.
 - (5) In the application of section 19 of that Act by virtue of subsection (1) above “revenue and customs information” means information provided by the Commissioners (but subject to the express exclusion in section 19(2)).
 - (6) Section 19 of that Act shall, in so far as it applies by virtue of this section, be treated for the purposes of section 28 of this Act as an offence under this Act.”
- (2) Section 352A of the Gambling Act 2005 (c. 19) as inserted by subsection (1) above shall come into force on the passing of this Act.