



Finance Act 2011

2011 CHAPTER 11

PART 1

CHARGES, RATES, ALLOWANCES ETC

Income tax

1 Charge and main rates for 2011-12

- (1) Income tax is charged for the tax year 2011-12.
- (2) For that tax year—
 - (a) the basic rate is 20%,
 - (b) the higher rate is 40%, and
 - (c) the additional rate is 50%.

2 Basic rate limit for 2011-12

- (1) For the tax year 2011-12 the amount specified in section 10(5) of ITA 2007 (basic rate limit) is replaced with “ £35,000 ”.
- (2) Accordingly section 21 of that Act (indexation of limits), so far as relating to the basic rate limit, does not apply for that tax year.

3 Personal allowance for 2011-12 for those aged under 65

- (1) For the tax year 2011-12 the amount specified in section 35(1) of ITA 2007 (personal allowance for those aged under 65) is replaced with “ £ 7,475 ”.
- (2) Accordingly section 57 of that Act (indexation of allowances), so far as relating to the amount specified in section 35(1) of that Act, does not apply for that tax year.

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Corporation tax

4 Main rate for financial year 2011

- (1) In section 2(2)(a) of FA 2010 (main corporation tax rate for financial year 2011 on profits other than ring fence profits), for “27%” substitute “ 26% ”.
- (2) The amendment made by this section is treated as having come into force on 1 April 2011.

5 Charge and main rate for financial year 2012

- (1) Corporation tax is charged for the financial year 2012.
- (2) For that year the rate of corporation tax is—
 - (a) [F124%] on profits of companies other than ring fence profits, and
 - (b) 30% on ring fence profits of companies.
- (3) In subsection (2) “ring fence profits” has the same meaning as in Part 8 of CTA 2010 (see section 276 of that Act).

Textual Amendments

F1 Words in s. 5(2)(a) substituted (retrospective to 1.4.2012) by [Finance Act 2012 \(c. 14\), s. 5\(1\)\(2\)](#)

6 Small profits rate and fractions for financial year 2011

- (1) For the financial year 2011 the small profits rate is—
 - (a) 20% on profits of companies other than ring fence profits, and
 - (b) 19% on ring fence profits of companies.
- (2) For the purposes of Part 3 of CTA 2010, for that year—
 - (a) the standard fraction is 3/200ths, and
 - (b) the ring fence fraction is 11/400ths.
- (3) In subsection (1) “ring fence profits” has the same meaning as in Part 8 of that Act (see section 276 of that Act).

7 Increase in rate of supplementary charge

- (1) In section 330 of CTA 2010 (supplementary charge in respect of ring fence trades), in subsection (1), for “20%” substitute “ 32% ”.
- (2) The amendment made by subsection (1) has effect in relation to accounting periods beginning on or after 24 March 2011 (but see also subsection (3)).
- (3) Subsections (4) to (10) apply where a company has an accounting period beginning before 24 March 2011 and ending on or after that date (“the straddling period”).
- (4) For the purpose of calculating the amount of the supplementary charge on the company for the straddling period—

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- (a) so much of that period as falls before 24 March 2011, and so much of that period as falls on or after that date, are treated as separate accounting periods, and
 - (b) the company's adjusted ring fence profits for the straddling period are apportioned to the two separate accounting periods in proportion to the number of days in those periods.
- (5) But if the basis of apportionment in subsection (4)(b) would work unjustly or unreasonably in the company's case, the company may elect for its profits to be apportioned on another basis that is just and reasonable and specified in the election.
- (6) The amount of the supplementary charge on the company for the straddling period is the sum of the amounts of supplementary charge that would, in accordance with subsections (4) and (5), be chargeable on the company for those separate accounting periods.
[^{F2}See also sections 330A and 330B of CTA 2010 (which have effect in relation to the separate accounting period consisting of so much of the straddling period as falls on or after 24 March 2011).]
- (7) In relation to the straddling period—
 - (a) the Instalment Payments Regulations apply as if the amendment made by subsection (1) had not been made, but
 - (b) those Regulations also apply separately, in accordance with subsection (8), in relation to the increase in the amount of any supplementary charge on the company for that period that arises as a result of that amendment.
- (8) In the separate application of those Regulations under subsection (7)(b), those Regulations have effect as if, for the purposes of those Regulations—
 - (a) the straddling period were an accounting period beginning on 24 March 2011,
 - (b) supplementary charge were chargeable on the company for that period, and
 - (c) the amount of that charge were equal to the increase in the amount of the supplementary charge for the straddling period that arises as a result of the amendment made by subsection (1).
- (9) Any reference in the Instalment Payment Regulations to the total liability of a company is, accordingly, to be read—
 - (a) in their application as a result of subsection (7)(a), as a reference to the amount that would be the company's total liability for the straddling period if the amendment made by subsection (1) had not been made, and
 - (b) in their application as a result of subsection (7)(b), as a reference to the amount of the supplementary charge on the company for the deemed accounting period under subsection (8)(a).
- (10) For the purposes of the Instalment Payment Regulations—
 - (a) a company is to be regarded as a large company as respects the deemed accounting period under subsection (8)(a) if (and only if) it is a large company for those purposes as respects the straddling period, and
 - (b) any question whether a company is a large company as respects the straddling period is to be determined as it would have been determined if the amendment made by subsection (1) had not been made.
- (11) In this section—

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“adjusted ring fence profits” has the same meaning as in section 330 of CTA 2010;

“the Instalment Payments Regulations” means the Corporation Tax (Instalment Payments) Regulations 1998 (S.I. 1998/3175);

“supplementary charge” means any sum chargeable under section 330(1) of CTA 2010 as if it were an amount of corporation tax.

Textual Amendments

F2 Words in s. 7(6) inserted (with effect in accordance with Sch. 21 para. 6 of the amending Act) by Finance Act 2012 (c. 14), **Sch. 21 para. 4**

Capital gains tax

8 Annual exempt amount

(1) Section 3 of TCGA 1992 (annual exempt amount) is amended as follows.

(2) For subsection (2) substitute—

“(2) The exempt amount for a tax year is £10,600.”

(3) For subsections (3) and (4) substitute—

“(3) If there is a relevant increase in RPI in relation to a tax year—

(a) the exempt amount is to be increased in accordance with Steps 1 and 2, and

(b) subsection (2) has effect from then on (for that and subsequent tax years) as if it referred to the increased amount,

unless Parliament otherwise determines.

(3A) There is a relevant increase in RPI in relation to a tax year if the retail prices index for the September before the start of the tax year is higher than it was for the previous September.

(3B) Steps 1 and 2 are—

Step 1 Increase the exempt amount for the previous tax year by the same percentage as the percentage of the relevant increase in RPI.

Step 2 If the result of Step 1 is not a multiple of £100, round it up to the nearest multiple of £100.

(4) If there is a relevant increase in RPI in relation to a tax year, the Treasury must before the start of that tax year make an order showing the amount arrived at as a result of Steps 1 and 2.”

(4) The amendment made by subsection (2) has effect for the tax year 2011-12 and subsequent tax years.

(5) For the tax year 2011-12, section 3(3) of TCGA 1992 (indexation) does not apply.

(6) The amendment made by subsection (3) has effect for the tax year 2012-13 and subsequent tax years.

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9 Entrepreneurs' relief

- (1) In section 169N of TCGA 1992 (amount of relief: general)—
 - (a) in subsection (4) for “£5 million” substitute “ £10 million ”, and
 - (b) in subsection (4A) for “£5 million” substitute “ £10 million ”.
- (2) The amendments made by this section have effect in relation to qualifying business disposals occurring on or after 6 April 2011.

Capital allowances

10 Plant and machinery writing-down allowances

- (1) Part 2 of CAA 2001 (plant and machinery allowances) is amended as follows.
- (2) In section 56 (amount of allowances and charges), in subsection (1) for “20%” substitute “ 18% ”.
- (3) In section 104D (writing-down allowances: special rate expenditure)—
 - (a) in subsection (1) for “10%” substitute “ 8% ”, and
 - (b) after that subsection insert—

“(1A) But, in relation to special rate expenditure incurred wholly for the purposes of a ring fence trade in respect of which tax is chargeable under section 330(1) of CTA 2010 (supplementary charge in respect of ring fence trades), the amount of the writing-down allowance to which a person is entitled for a chargeable period is 10% of the amount by which AQE exceeds TDR.”
- (4) Accordingly—
 - (a) in the heading for section 104D, after “at” insert “ **8% or** ”, and
 - (b) in sections 56(2)(a) and 104E(1)(a), before “10%” insert “ 8% or ”.
- (5) Part 10 of Schedule 22 to FA 2000 (companies within tonnage tax: capital allowances in respect of ship leasing), as it has effect (by virtue of section 57(9) of this Act) in relation to expenditure incurred before 1 January 2011, is amended as follows.
- (6) In each of the following provisions, for “20%” (in each place) substitute “ 18% ”
 - (a) paragraph 94(3)(a) and (4),
 - (b) paragraph 95(4),
 - (c) paragraph 97(2) and (3),
 - (d) paragraph 98(8), and
 - (e) paragraph 99(2) and (5).
- (7) In each of the following provisions, for “10%” substitute “ 8% ”
 - (a) paragraph 94(3)(b) and (4),
 - (b) paragraph 95(4),
 - (c) paragraph 97(2), (3) and (4),
 - (d) paragraph 98(8), and
 - (e) paragraph 99(2).
- (8) The amendments made by this section have effect in relation to—
 - (a) chargeable periods beginning on or after the relevant day, and

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- (b) chargeable periods beginning before, and ending on or after, the relevant day.
- (9) But in respect of a chargeable period within subsection (8)(b), they have effect as if—
- (a) in section 56(1) of CAA 2001 and the provisions of Schedule 22 to FA 2000 mentioned in subsection (6), references to 18% were references to X%, and
 - (b) in section 104D(1) of CAA 2001 and the provisions of Schedule 22 to FA 2000 mentioned in subsection (7), references to 8% were references to Y%.
- (10) For the purposes of subsection (9)—

$$X = \left(20 \frac{\text{BRD}}{\text{CP}} \right) + \left(18 \frac{\text{ARD}}{\text{CP}} \right)$$

$$Y = \left(10 \frac{\text{BRD}}{\text{CP}} \right) + \left(8 \frac{\text{ARD}}{\text{CP}} \right)$$

- (11) Where X or Y would be a figure with more than 2 decimal places, it is to be rounded up to the nearest second decimal place.
- (12) In subsection (10)—
- BRD is the number of days in the chargeable period before the relevant day,
 - ARD is the number of days in the chargeable period on and after the relevant day, and
 - CP is the number of days in the chargeable period.
- (13) The relevant day is—
- (a) for corporation tax purposes, 1 April 2012, and
 - (b) for income tax purposes, 6 April 2012.

11 Annual investment allowance

- (1) Section 51A of CAA 2001 (entitlement to annual investment allowance) is amended as follows.
- (2) In subsection (5) (maximum allowance), for “£100,000” substitute “ £25,000 ”.
- (3) In subsection (8) (power to amend maximum allowance), for “other” substitute “ greater ”.
- (4) The amendment made by subsection (2) has effect in relation to expenditure incurred on or after the relevant day.
- (5) Subsections (6) and (7) apply in relation to a chargeable period (“the actual chargeable period”) which—
 - (a) begins before the relevant day, and
 - (b) ends on or after that day.
- (6) The maximum allowance under section 51A of CAA 2001 for the actual chargeable period is the sum of each maximum allowance that would be found if—

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- (a) the period beginning with the first day of the chargeable period and ending with the day before the relevant day, and
- (b) the period beginning with the relevant day and ending with the last day of the chargeable period,

were treated as separate chargeable periods.

(7) But, so far as concerns expenditure incurred on or after the relevant day, the maximum allowance under section 51A of CAA 2001 for the actual chargeable period is the maximum allowance, calculated in accordance with subsection (6), for the period mentioned in paragraph (b) of that subsection.

(8) Subsections (6) and (7) are also to apply for the purpose of determining the maximum allowance under section 51K of CAA 2001 (operation of annual investment allowance where restrictions apply) in a case where one or more chargeable periods in which the relevant AIA qualifying expenditure is incurred are chargeable periods within subsection (5), but the modifications in subsections (9) to (11) are to apply.

(9) There is to be taken into account for the purpose mentioned in subsection (8) only chargeable periods of one year or less (whether or not they are chargeable periods within subsection (5)), and if there is more than one such period, only that period which gives rise to the greatest maximum allowance.

(10) For the purposes of subsection (9) any chargeable period—

- (a) which is longer than a year, and
- (b) which ends in the tax year 2012-13,

is to be treated as being a chargeable period of one year ending at the same time as it actually ends.

^{F3}(11)

(12) Nothing in subsections (8) to (11) affects the operation of sections 51M and 51N of that Act.

(13) In this section “the relevant day” means—

- (a) for corporation tax purposes, 1 April 2012, and
- (b) for income tax purposes, 6 April 2012.

Textual Amendments

F3 S. 11(11) repealed (17.7.2013) by Finance Act 2013 (c. 29), Sch. 1 para. 5(4) (with Sch. 1 para. 5(5)(6))

12 Short-life assets

(1) Part 2 of CAA 2001 (plant and machinery allowances) is amended as follows.

(2) In section 86 (short-life asset pool)—

- (a) in subsection (2), for “four-year” (in each place) substitute “relevant”,
- (b) for subsection (3) substitute—

“(3) In this Chapter “the relevant cut-off” means—

- (a) if any of the qualifying expenditure incurred on the provision of the short-life asset was incurred before the designated day,

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the fourth anniversary of the end of the relevant chargeable period, and

- (b) in any other case, the eighth anniversary of the end of the relevant chargeable period.

(3A) In subsection (3)—

“the designated day” means—

- (a) for corporation tax purposes, 1 April 2011, and
(b) for income tax purposes, 6 April 2011;

“the relevant chargeable period” means—

- (a) the chargeable period in which the qualifying expenditure was incurred on the provision of the short-life asset, or
(b) if the qualifying expenditure was incurred in different chargeable periods, the first chargeable period in which any of the qualifying expenditure was incurred.”, and

- (c) in subsection (4), for “four-year” substitute “ relevant ”.

(3) In section 65 (the final chargeable period), in subsection (3), for “four-year” substitute “ relevant ”.

(4) In section 87 (short-life assets provided for leasing), in subsection (1)—

- (a) in paragraph (b), for “four-year” substitute “ relevant ”, and
(b) in paragraph (c), for “4 years” substitute “ 8 years ”.

(5) In section 89 (disposal to connected person), in subsections (1) and (5), for “four-year” (in each place) substitute “ relevant ”.

(6) In Schedule 1 (defined expressions)—

- (a) at the appropriate place insert—

“relevant cut-off (in Chapter 9 of Part 2)	section 86(3)”, and
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- (b) omit the entry for “four-year cut-off (in Chapter 9 of Part 2)”.

Alcohol duties

13 Rates of alcoholic liquor duties

(1) ALDA 1979 is amended as follows.

(2) In section 5 (rate of duty on spirits), for “£23.80” substitute “ £25.52 ”.

(3) In section 36(1AA)(a) (standard rate of duty on beer), for “£17.32” substitute “ £18.57 ”.

(4) In section 62(1A) (rates of duty on cider)—

- (a) in paragraph (a) (rate of duty per hectolitre in the case of sparkling cider of a strength exceeding 5.5 per cent), for “£217.83” substitute “ £233.55 ”,
(b) in paragraph (b) (rate of duty per hectolitre in the case of cider of a strength exceeding 7.5 per cent which is not sparkling cider), for “£50.22” substitute “ £53.84 ”, and

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(c) in paragraph (c) (rate of duty per hectolitre in any other case), for “£33.46” substitute “£35.87”.

(5) For the table in Schedule 1 substitute—

“TABLE OF RATES OF DUTY ON WINE AND MADE-WINE

PART 1

WINE OR MADE-WINE OF A STRENGTH NOT EXCEEDING 22 PER CENT

<i>Description of wine or made-wine</i>	<i>Rates of duty per hectolitre £</i>
Wine or made-wine of a strength not exceeding 4 per cent	74.32
Wine or made-wine of a strength exceeding 4 per cent but not exceeding 5.5 per cent	102.21
Wine or made-wine of a strength exceeding 5.5 per cent but not exceeding 15 per cent and not being sparkling	241.23
Sparkling wine or sparkling made-wine of a strength exceeding 5.5 per cent but less than 8.5 per cent	233.55
Sparkling wine or sparkling made-wine of a strength of 8.5 per cent or of a strength exceeding 8.5 per cent but not exceeding 15 per cent	308.99
Wine or made-wine of a strength exceeding 15 per cent but not exceeding 22 per cent	321.61

PART 2

WINE OR MADE-WINE OF A STRENGTH EXCEEDING 22 PER CENT

<i>Description of wine or made-wine</i>	<i>Rates of duty per litre of alcohol in wine or made-wine £</i>
Wine or made-wine of a strength exceeding 22 per cent	25.52”.

(6) The amendments made by this section are treated as having come into force on 28 March 2011.

14 General beer duty: reduced rate for lower strength beer

(1) Part 3 of ALDA 1979 (beer) is amended as follows.

(2) In section 36 (general beer duty), in subsection (1AA) (rates of duty)—

(a) before paragraph (a) insert—

“(za) in the case of beer that is of a strength which exceeds 1.2 per cent but does not exceed 2.8 per cent, £9.29 per hectolitre per cent of alcohol in the beer;”

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- (b) in paragraph (a), after “that” insert “ is of a strength which exceeds 2.8 per cent and ”,
 - (c) in paragraph (b), after “small brewery beer” insert “ that is of a strength which exceeds 2.8 per cent and is ”, and
 - (d) in paragraph (c), after “small brewery beer” insert “ that is of a strength which exceeds 2.8 per cent and is ”.
- (3) For the italic heading immediately preceding section 36A substitute “ *Beer from small breweries* ”.
- (4) In section 36D (rate of general beer duty for small brewery beer from singleton breweries)—
- (a) in subsection (2), after “section” insert “ , unless the beer is within section 36(1AA)(za) (rate for lower strength beer) ”, and
 - (b) in the heading after “**beer**” insert “ (**other than lower strength beer**) ”.
- (5) In section 36F (rate of general beer duty for small brewery beer from co-operated breweries)—
- (a) in subsection (2), after “section” insert “ , unless the beer is within section 36(1AA)(za) (rate for lower strength beer) ”, and
 - (b) in the heading after “**beer**” insert “ (**other than lower strength beer**) ”.
- (6) Immediately above section 36H (power to vary reduced rate provisions) insert as an italic heading “ *Power to vary rates* ”.
- (7) The amendments made by this section come into force on 1 October 2011.

15 New high strength beer duty

- (1) Schedule 1 contains provision for and in connection with a duty of excise on high strength beer.
- (2) The Commissioners for Her Majesty's Revenue and Customs are responsible for the collection and management of that duty.

Tobacco duties

16 Rates of tobacco products duty

- (1) For the table in Schedule 1 to TPDA 1979 substitute—

“TABLE

1. Cigarettes	An amount equal to 16.5 per cent of the retail price plus £154.95 per thousand cigarettes
2. Cigars	£193.29 per kilogram
3. Hand-rolling tobacco	£151.90 per kilogram
4. Other smoking tobacco and chewing tobacco	£84.98 per kilogram”.

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- (2) The amendment made by this section is treated as having come into force at 6 pm on 23 March 2011.

Gambling duties

17 Rates of gaming duty

- (1) In section 11(2) of FA 1997 (rates of gaming duty), for the table substitute—

“TABLE

<i>Part of gross gaming yield</i>	<i>Rate</i>
The first £2,067,000	15 per cent
The next £1,425,000	20 per cent
The next £2,496,000	30 per cent
The next £5,268,000	40 per cent
The remainder	50 per cent”.

- (2) The amendment made by this section has effect in relation to accounting periods beginning on or after 1 April 2011.

18 Amusement machine licence duty

- (1) In section 23(2) of BGDA 1981 (amount of duty payable on amusement machine licence), for the table substitute—

“TABLE

<i>Months for which licence granted</i>	<i>Category A £</i>	<i>Category B1 £</i>	<i>Category B2 £</i>	<i>Category B3 £</i>	<i>Category B4 £</i>	<i>Category C £</i>
1	535	270	215	215	195	85
2	1070	535	425	425	385	160
3	1605	805	635	635	575	240
4	2140	1070	845	845	765	320
5	2675	1340	1055	1055	960	400
6	3210	1605	1265	1265	1150	480
7	3745	1875	1475	1475	1340	555
8	4280	2140	1685	1685	1530	635
9	4815	2410	1895	1895	1725	715
10	5350	2675	2105	2105	1915	795
11	5885	2945	2315	2315	2105	875

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12	6110	3055	2405	2405	2185	905”.
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- (2) The amendment made by this section has effect in relation to cases where the application for the amusement machine licence is received by the Commissioners for Her Majesty's Revenue and Customs after 4 pm on 25 March 2011.

Fuel duties

19 Fuel duties: rates of duty and rebates from 23 March 2011

- (1) HODA 1979 is amended as follows.
- (2) In section 6(1A) (main rates)—
- (a) in paragraph (a) (unleaded petrol), for “£0.5895” substitute “ £0.5795 ”,
 - (b) in paragraph (aa) (aviation gasoline), for “£0.3835” substitute “ £0.3770 ”,
 - (c) in paragraph (b) (light oil other than unleaded petrol or aviation gasoline), for “£0.6867” substitute “ £0.6767 ”, and
 - (d) in paragraph (c) (heavy oil), for “£0.5895” substitute “ £0.5795 ”.
- (3) In section 8(3) (road fuel gas)—
- (a) in paragraph (a) (natural road fuel gas), for “£0.2615” substitute “ £0.2470 ”, and
 - (b) in paragraph (b) (other road fuel gas), for “£0.3304” substitute “ £0.3161 ”.
- (4) In section 11(1) (rebate on heavy oil)—
- (a) in paragraph (a) (fuel oil), for “£0.1088” substitute “ £0.1070 ”, and
 - (b) in paragraph (b) (gas oil), for “£0.1133” substitute “ £0.1114 ”.
- (5) In section 14(1) (rebate on light oil for use as furnace fuel), for “£0.1088” substitute “ £0.1070 ”.
- (6) In section 14A(2) (rebate on certain biodiesel), for “£0.1133” substitute “ £0.1114 ”.
- (7) The amendments made by this section are treated as having come into force at 6 pm on 23 March 2011.

20 Fuel duties: rates of duty and rebates from 1 January 2012

- (1) HODA 1979 is amended as follows.
- (2) In section 6(1A) (main rates)—
- (a) in paragraph (a) (unleaded petrol), for “£0.5795” substitute “ £0.6097 ”,
 - (b) in paragraph (aa) (aviation gasoline), for “£0.3770” substitute “ £0.3966 ”,
 - (c) in paragraph (b) (light oil other than unleaded petrol or aviation gasoline), for “£0.6767” substitute “ £0.7069 ”, and
 - (d) in paragraph (c) (heavy oil), for “£0.5795” substitute “ £0.6097 ”.
- (3) In section 8(3) (road fuel gas)—
- (a) in paragraph (a) (natural road fuel gas), for “£0.2470” substitute “ £0.2907 ”, and
 - (b) in paragraph (b) (other road fuel gas), for “£0.3161” substitute “ £0.3734 ”.

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- (4) In section 11(1) (rebate on heavy oil)—
- (a) in paragraph (a) (fuel oil), for “£0.1070” substitute “ £0.1126 ”, and
 - (b) in paragraph (b) (gas oil), for “£0.1114” substitute “ £0.1172 ”.
- (5) In section 14(1) (rebate on light oil for use as furnace fuel), for “£0.1070” substitute “ £0.1126 ”.
- (6) In section 14A(2) (rebate on certain biodiesel), for “£0.1114” substitute “ £0.1172 ”.
- (7) The amendments made by this section come into force on 1 January 2012.

Vehicle excise duty

21 VED rates for light passenger vehicles, light goods vehicles, motorcycles etc

- (1) Schedule 1 to VERA 1994 (annual rates of duty) is amended as follows.
- (2) In paragraph 1 (general)—
- (a) in sub-paragraph (2) (vehicle not covered elsewhere in Schedule otherwise than with engine cylinder not exceeding 1,549cc), for “£205” substitute “ £215 ”, and
 - (b) in sub-paragraph (2A) (vehicle not covered elsewhere in Schedule with engine cylinder capacity not exceeding 1,549cc), for “£125” substitute “ £130 ”.
- (3) In paragraph 1B (graduated rates of duty for light passenger vehicles)—
- (a) for the tables substitute—

“TABLE 1

RATES PAYABLE ON FIRST VEHICLE LICENCE FOR VEHICLE

<i>CO₂ emissions figure</i>		<i>Rate</i>	
(1)	(2)	(3)	(4)
Exceeding	Not exceeding	Reduced rate	Standard rate
g/km	g/km	£	£
130	140	105	115
140	150	120	130
150	165	155	165
165	175	255	265
175	185	305	315
185	200	435	445
200	225	570	580
225	255	780	790
255		990	1000

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TABLE 2

RATES PAYABLE ON ANY OTHER VEHICLE LICENCE FOR VEHICLE

<i>CO₂ emissions figure</i>		<i>Rate</i>	
(1)	(2)	(3)	(4)
Exceeding	Not exceeding	Reduced rate	Standard rate
g/km	g/km	£	£
100	110	10	20
110	120	20	30
120	130	85	95
130	140	105	115
140	150	120	130
150	165	155	165
165	175	180	190
175	185	200	210
185	200	235	245
200	225	250	260
225	255	435	445
255		450	460”;

(b) in the sentence immediately following the tables, for paragraphs (a) and (b) substitute—

“(a) in column (3), in the last two rows, “250” were substituted for “435” and “ 450 ”, and

(b) in column (4), in the last two rows, “260” were substituted for “445” and “ 460 ”.”

(4) In paragraph 1J (VED rates for light goods vehicles)—

(a) in paragraph (a), for “£200” substitute “ £210 ”, and

(b) in paragraph (b), for “£125” substitute “ £130 ”.

(5) In paragraph 2(1) (VED rates for motorcycles)—

(a) in paragraph (a), for “£15” substitute “ £16 ”,

(b) in paragraph (b), for “£33” substitute “ £35 ”,

(c) in paragraph (c), for “£50” substitute “ £53 ”, and

(d) in paragraph (d), for “£70” substitute “ £74 ”.

(6) The amendments made by this section have effect in relation to licences taken out on or after 1 April 2011.

22 VED rates for certain goods vehicles without road-friendly suspension

(1) Part 8 of Schedule 1 to VERA 1994 (rates for goods vehicles) is amended as follows.

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- (2) In—
- (a) paragraph 9(1) (rigid vehicles exceeding 3,500 kilograms revenue weight in case of which pollution requirements are not satisfied), and
 - (b) paragraph 9A(2) (rigid vehicles exceeding that weight in case of which pollution requirements are satisfied),
- after “(3)” insert “ and paragraph 11D ”.
- (3) In—
- (a) paragraph 11(1) (tractive units exceeding 3,500 kilograms revenue weight in case of which pollution requirements are not satisfied), and
 - (b) paragraph 11A(2) (tractive units exceeding that weight in case of which pollution requirements are satisfied),
- for “paragraph 11C” substitute “ paragraphs 11C and 11D ”.
- (4) In paragraph 11C(2) (tractive units between 41,000 and 44,000 kilograms revenue weight, with 3 or more axles and used for conveyance of semi-trailers with 3 or more axles and usable on public road in accordance with law immediately before 21 March 2000), for “The” substitute “ Subject to paragraph 11D, the ”.
- (5) After paragraph 11C insert—

11D “Certain vehicles without road-friendly suspension

- (1) This paragraph applies to goods vehicles which do not have road-friendly suspension.
- (2) A goods vehicle does not have road-friendly suspension if any driving axle of the vehicle has neither—
 - (a) an air suspension (that is, a suspension system in which at least 75 per cent of the spring effect is caused by an air spring), nor
 - (b) a suspension which is regarded as being equivalent to an air suspension for the purposes under Annex II of Council Directive [96/53/EC](#).
- (3) The annual rate of vehicle excise duty applicable to a rigid goods vehicle to which this paragraph applies and which has—
 - (a) a revenue weight of 15,000 kilograms, and
 - (b) two axles,
 is £238.
- (4) The annual rate of vehicle excise duty applicable to a rigid goods vehicle to which this paragraph applies and which—
 - (a) is a vehicle with respect to which the reduced pollution requirements are satisfied,
 - (b) has a revenue weight of 21,000 kilograms, and
 - (c) has three axles,
 is £193.
- (5) The annual rate of vehicle excise duty applicable to a rigid goods vehicle to which this paragraph applies and which—

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- (a) is a vehicle with respect to which the reduced pollution requirements are satisfied,
 - (b) has a revenue weight of not less than 23,000 kilograms but less than 26,000 kilograms, and
 - (c) has three axles,

is £299.
- (6) The annual rate of vehicle excise duty applicable to a rigid goods vehicle to which this paragraph applies and which—
 - (a) is a vehicle with respect to which the reduced pollution requirements are satisfied,
 - (b) has a revenue weight of 27,000 kilograms, and
 - (c) has four or more axles,

is £314.
- (7) The annual rate of vehicle excise duty applicable to a tractive unit to which this paragraph applies and which has two axles and either—
 - (a) has a revenue weight of 25,000 kilograms, or
 - (b) is a vehicle with respect to which the reduced pollution requirements are satisfied and has a revenue weight exceeding 25,000 kilograms but less than 28,000 kilograms,

is £266.
- (8) The annual rate of vehicle excise duty applicable to a tractive unit to which this paragraph applies and which—
 - (a) has a revenue weight of 28,000 kilograms,
 - (b) has two axles, and
 - (c) is to draw semi-trailers with two or more axles,

is £177.
- (9) The annual rate of vehicle excise duty applicable to a tractive unit to which this paragraph applies and which—
 - (a) is a vehicle with respect to which the reduced pollution requirements are satisfied,
 - (b) has a revenue weight of 31,000 kilograms,
 - (c) has two axles, and
 - (d) is to draw semi-trailers with two or more axles,

is £403.
- (10) The annual rate of vehicle excise duty applicable to a tractive unit to which this paragraph applies and which—
 - (a) is a vehicle with respect to which the reduced pollution requirements are satisfied,
 - (b) has a revenue weight of 36,000 kilograms,
 - (c) has three axles, and
 - (d) is to draw semi-trailers with two or more axles,

is £394.
- (11) The annual rate of vehicle excise duty applicable to a vehicle to which paragraph 11C and this paragraph apply and which—

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- (a) is a vehicle with respect to which the reduced pollution requirements are satisfied, and
- (b) has a revenue weight less than 44,000 kilograms, is £464.
- (12) This paragraph does not apply to a vehicle for which the annual rate of duty is determined under paragraph 9(2) or 11(2).”
- (6) The amendments made by this section have effect in relation to licences taken out on or after 1 April 2011.

Environmental taxes

23 Rates of climate change levy

- (1) In Schedule 6 to FA 2000 (climate change levy), for the table in paragraph 42(1) substitute—

“TABLE

<i>Taxable commodity supplied</i>	<i>Rate at which levy payable if supply is not a reduced-rate supply</i>
Electricity	£0.00509 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	£0.00177 per kilowatt hour
Any petroleum gas, or other gaseous hydrocarbon, supplied in a liquid state	£0.01137 per kilogram
Any other taxable commodity	£0.01387 per kilogram”.

- (2) The amendment made by this section has effect in relation to supplies treated as taking place on or after 1 April 2012.

Modifications etc. (not altering text)

C1 S. 23: power to repeal conferred by Finance (No. 2) Act (c. 31), {ss. 5(1)}

24 Rate of aggregates levy

- (1) Section 16 of FA 2010 (increase in rate of aggregates levy from 1 April 2011) is repealed.
- (2) Accordingly, the amendment made by section 20 of FA 2008 (increase in rate of aggregates levy from 1 April 2009) continues to have effect in relation to aggregate subjected to commercial exploitation on or after 1 April 2011.
- (3) This section is treated as having come into force on 31 March 2011.

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25 Standard rate of landfill tax

- (1) In section 42(1)(a) and (2) of FA 1996 (amount of landfill tax), for “£56” substitute “£64”.
- (2) The amendments made by this section have effect in relation to disposals made (or treated as made) on or after 1 April 2012.

Changes to legislation:

Finance Act 2011, Part 1 is up to date with all changes known to be in force on or before 19 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. 23 para. 45(1)(ia) inserted by [2017 c. 10 Sch. 11 para. 6\(3\)](#)
- Sch. 23 para. 2(1A) inserted by [S.I. 2019/397 reg. 2\(2\)](#) (This amendment not applied to legislation.gvo.uk. Amending Regulations revoked on IP completion day by S.I. 2020/1544, regs. 1, 8; S.I. 2020/1641, reg. 2, Sch.)
- Sch. 23 para. 15A inserted by [S.I. 2019/397 reg. 2\(3\)](#) (This amendment not applied to legislation.gvo.uk. Amending Regulations revoked on IP completion day by S.I. 2020/1544, regs. 1, 8; S.I. 2020/1641, reg. 2, Sch.)