



Finance Act 1920

1920 CHAPTER 18

PART I

CUSTOMS AND EXCISE

1 Continuation of customs duties imposed under 5 & 6 Geo.5 c.89

The following duties of customs, imposed by Part I. of the Finance (No. 2) Act, 1915, shall, subject to the provisions of section eight of the Finance Act, 1919 (which relates to imperial preferential rates), continue to be charged, levied, and paid, in the case of the duty on motor spirit until the thirty-first day of December nineteen hundred and twenty, in the case of the new import duties until the first day of May nineteen hundred and twenty-one, and in the case of the other duties until the first day of August nineteen hundred and twenty-one, that is to say :—

Duty.		Section of Act.
Increased duty on tea	1	
Additional duties on dried fruit	8	
Additional duty on motor spirit	10(1)	
New import duties	12	

2 Continuation of increased medicine duties

The additional duties of excise imposed by section eleven of the Finance (No. 2) Act, 1915, upon medicines liable to duty shall continue to be charged, levied and paid until the first day of August nineteen hundred and twenty-one.

3 Increased duties on spirits

(1) In lieu of the duties of customs payable on spirits imported into Great Britain or Ireland, there shall, as. from the twentieth day of April nineteen hundred and twenty,

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be charged, levied and paid, in the case of spirits entitled to preferential rates under section eight of the Finance Act, 1919, the duties specified in the second column of Part I. of the First Schedule to this Act, and in the case of all other spirits the duties specified in the third column of Part I. of the said schedule, together in either case with the additional duties specified in Part II. of that schedule.

- (2) In lieu of the excise duty payable on spirits distilled in Great Britain or Ireland there shall, as from the twentieth day of April nineteen hundred and twenty, be charged, levied and paid for every gallon computed at proof of spirits distilled or manufactured by any other process whatsoever in Great Britain or Ireland an excise duty of three pounds twelve shillings and sixpence, together with the additional duties specified in Part III. of the First Schedule to this Act. And so in proportion for any less quantity.

4 Spirits used in medical preparations or for scientific purposes

Section four of the Finance Act, 1918 (which provides for the reduction and allowance of duty in respect of spirits used in medical preparations or for scientific purposes), shall apply to the duties on spirits imposed by this Act as it applies to duties on spirits imposed by that Act as though it were herein set out and expressly made applicable thereto, with the substitution for the sums specified in that section as the amount of reduction of duty or repayment of duty, of such sums as will reduce the amount of duty payable under this Act to the amount of duty which was payable immediately before the increase of duties on spirits provided for by the Finance Act, 1918.

5 Increased customs duties on beer

- (1) In lieu of the duties of customs payable on beer of the descriptions called or similar to mum, spruce or black beer, or Berlin white beer, or other preparations, whether fermented or not fermented, of a similar character imported into Great Britain or Ireland, there shall, as from the twentieth day of April nineteen hundred and twenty, be charged, levied, and paid the following duties (that is to say) :—

	£	s.	d.
For every thirty-six gallons of beer where the worts thereof are, or were before fermentation, of a specific gravity—			
Not exceeding one thousand two hundred and fifteen degrees	20	2	0
Exceeding one thousand two hundred and fifteen degrees	23	11	0

- (2) In lieu of the duty of customs payable on every description of beer other than that specified in the preceding subsection imported into Great Britain or Ireland there shall,

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as from the twentieth day of April nineteen hundred and twenty, be charged, levied, and paid the following duty (that is to say) :—

	£	s.	d.
For every thirty-six gallons where the worts thereof were before fermentation of a specific gravity of one thousand and fifty-five degrees	5	0	6

- (3) In lieu of the customs drawback now payable there shall be allowed and paid on the exportation, shipment for use as stores, or removal to the Isle of Man, of beer imported into Great Britain or Ireland, on which it is shown that the increased customs duty charged by this Act has been paid, a drawback calculated according to the original gravity thereof (that is to say) :—

	£	s.	d.
For every thirty-six gallons of an original gravity of one thousand and fifty-five degrees the drawback of	5	0	3

- (4) In the case of beer which is of a gravity different from the gravity aforesaid, the duty or the drawback, as the case may be, shall be varied proportionately.

6 Increased excise duty on beer

In lieu of the duty of excise payable in respect of beer brewed in Great Britain or Ireland there shall, as from the twentieth day of April nineteen hundred and twenty, be charged, levied, and paid, the following duty (that is to say) :—

	£	s.	d.
For every thirty-six gallons of worts of a specific gravity of one thousand and fifty-five degrees	5	0	0

and in lieu of the drawback of excise payable in respect of beer exported from Great Britain or Ireland, as merchandise or for use as ship's stores, there shall be allowed and paid in respect of beer on which it is shown that the increased excise duty charged by this Act has been paid a drawback calculated according to the original gravity thereof (that is to say) :—

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	£	s.	d.
For every thirty-six gallons of beer of an original gravity of one thousand and fifty-five degrees the drawback of	5	0	3

and so, as to both duty and drawback, in proportion for any difference in quantity or gravity.

7 Increased duties on wine

- (1) In lieu of the duties of customs payable on wine imported into Great Britain and Ireland, there shall, as from the twentieth day of April nineteen hundred and twenty, be charged, levied, and paid, subject as hereinafter provided, the following duties (that is to say) :—

	£	s.	d.
Wine—			
Not exceeding 30 degrees of proof spirit, the gallon	0	2	6
Exceeding 30 but not exceeding 42 degrees of proof spirit, the gallon	0	6	0
And for every degree, or fraction of a degree, beyond the highest above charged, an additional duty, the gallon	0	0	6
Sparkling wine in bottle, an additional duty, the gallon	0	5	0
Still wine in bottle, an additional duty, the gallon	0	2	0

and in the case of sparkling wine in addition to the above duties a duty equal to thirty-three and one-third per cent. of the value of the wine.

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- (2) This section shall have effect subject to the provisions of section eight of the Finance Act, 1919, and as though the Second Schedule to that Act provided that the preferential rate of duty as respects the ad valorem duty on sparkling wine were two-thirds of the full rate of that duty.
- (3) Subsection (2) of section eight of the Customs and Inland Revenue Act, 1890 (which provides that wine rendered sparkling in warehouse is to be deemed to be sparkling wine for the purpose of a certain duty imposed on sparkling wine), shall apply for the purpose of the ad valorem duty imposed on sparkling wine by this section as it applies for the purpose of any other duty imposed on such wine.
- (4) In this section the word " wine " includes the lees of wine.

8 Amendment of s.45 of 10 Edw.7 c.8

Section forty-five of the Finance (1909-10) Act, 1910 (which provides for the reduction of licence duty in the case of hotels and restaurants), shall have effect as respects any licence granted for the year commencing on the twenty-ninth day of May nineteen hundred and twenty, or for a year commencing on any later date, as if for the words " two-fifths " and " one-third," in subsection (1) thereof, there were, respectively, substituted the words " three-fifths " and " one-half."

9 Additional duty on cigars

In addition to the duties of customs payable on tobacco imported into Great Britain and Ireland, there shall, as from the twentieth day of April nineteen hundred and twenty, be charged, levied, and paid on cigars a duty of fifty per cent. of the value of the cigars :

Provided that in the case of the duty charged by this section the preferential rate under section eight of the Finance Act, 1919, shall be two-thirds of the full rate.

10 Calculation of value for purposes of ad valorem duty on wines and cigars

- (1) For the purpose of the duties charged by this Act on wines and cigars by reference to the value thereof, the value of the goods shall be taken to be the price which an importer would give for the goods if the goods were delivered to him, freight and insurance paid, in bond at the port of importation, and duty shall be paid on that value as fixed by the Commissioners of Customs and Excise.
- (2) The provisions of subsections (3) and (4) of section twelve of the Finance (No. 2) Act, 1915 (which relate to the determination of disputes as to the proper rate of duty payable under that section), shall apply to disputes arising as to the proper rate of duty payable under this Act by reference to the value of any goods.

11 Provisions as to spirits used for generating mechanical power

- (1) Subsection (1) of section one of the Revenue Act, 1906, which provides for the payment of an allowance in respect of spirits used for making industrial methylated spirits, shall apply to power methylated spirits as it applies to industrial methylated spirits.
- (2) The provisions of subsection (3) of section one hundred and twenty-three of the Spirits Acts, 1880, shall not apply in the case of power methylated spirits, and the substance

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to be mixed with spirits for the purpose of methylation shall, in the case of power methylated spirits, be such substance or combination of substances, and shall be used in such proportion, as the Commissioners of Customs and Excise may by regulations prescribe.

- (3) In this section the expression " power methylated spirits " means any methylated spirits (other than mineralised methylated spirits) which are intended to be used in generating mechanical power.

12 Repeal of customs duties on motor spirit and motor spirit dealers' licence duties

As from the first day of January nineteen hundred and twenty-one the customs duties on motor spirit imported into Great Britain or Ireland and the excise duty on licences to be taken out annually by dealers in motor spirit shall cease to be chargeable.

13 Duty on licences for mechanically propelled vehicles

- (1) Any excise duty which is chargeable at the commencement of this Act in respect of any vehicle which is chargeable with duty as a mechanically propelled vehicle under this section shall cease to be chargeable as from the first day of January nineteen hundred and twenty-one, and on and after that date there shall be charged, levied, and paid in Great Britain and Ireland in respect of mechanically propelled vehicles used on public roads duties of excise at the rates specified in the Second Schedule to this Act.

- (2) The duties charged under this section shall be paid annually upon licences to be taken out by the person keeping the vehicle :

Provided that—

- (a) a licence may be taken out in respect of any mechanically propelled vehicle (other than a cycle, or a tramcar, or a vehicle on which a duty of five shillings is chargeable under this section) for one-quarter of the year only beginning on the first day of January, the twenty-fifth day of March, the first day of July, or the first day of October, and in the case of any licence so taken out the duty shall be thirty per cent. of the full annual duty; and
- (b) where a person commences to keep or use a cycle or- tramcar on or after the first day of October in any year, he shall, on delivering a declaration in writing signed by him to that effect, be entitled to take out a licence for that vehicle on payment of one half of the full annual duty.
- (3) The unit of horse-power for the purpose of any rate of duty under the Second Schedule to this Act shall be calculated in accordance with regulations made by the Minister of Transport for the purpose.
- (4) No duty shall be payable under this section in respect of fire-engines, vehicles kept by a local authority while they are used for the purposes of their fire-brigade service, ambulances, or road rollers.
- (5) The Minister of Transport may make regulations providing for the total or partial exemption for a limited period from the duty payable under this section of any vehicle brought into the United Kingdom by persons making only a temporary stay in the United Kingdom.