

2011 No. 1178

CLIMATE CHANGE LEVY

**The Climate Change Levy (Suspension of Transport Exemption)
(Revocation) Order 2011**

<i>Made</i> - - - -	<i>27th April 2011</i>
<i>Laid before the House of Commons</i>	<i>28th April 2011</i>
<i>Coming into force</i> - -	<i>29th April 2011</i>

The Treasury make the following Order pursuant to section 1(1) and (2) of the Provisional Collection of Taxes Act 1968(a) and a resolution passed by the House of Commons on 29th March 2011(b).

Citation and commencement

1. This Order may be cited as the Climate Change Levy (Suspension of Transport Exemption) (Revocation) Order 2011 and comes into force on 29th April 2011.

Revocation

2. The Climate Change Levy (Suspension of Transport Exemption) Order 2011(c) is revoked.
3. The revocation of that Order has effect in relation to supplies of taxable commodities(d) made on or after 1st April 2011.
4. The reference in article 3 to the time at which a supply of a taxable commodity is made is to be read as a reference to the time at which the taxable commodity is actually supplied.

27th April 2011
Angela Watkinson
Michael Fabricant
Two of the Lords Commissioners for Her Majesty's Treasury

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- (a) 1968 c. 2. Section 1 applies to climate change levy by virtue of an amendment made by paragraph 1 of Schedule 7 to the Finance Act 2000 (c. 17).
- (b) Budget resolution number 47, recorded in the House of Commons Votes and Proceedings for 29th March 2011. The resolution contains a declaration that it is expedient in the public interest that the resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968. Section 1(3) to (5) of that Act sets out the circumstances in which the resolution will cease to have statutory effect. By virtue of section 1(5), the resolution will cease to have effect if the provisions giving effect to it are rejected during the passage of the Bill containing them through the House, or if such provisions are enacted in the Finance Act 2011. The resolution will in any case cease to have effect on 5th August 2011 by virtue of section 1(3). Relevant amendments to section 1(3) to (5) were made by section 60 of the Finance Act 1968 (c. 44), section 205(5) of the Finance Act 1993 (c. 34), section 50(1) of the Finance (No. 2) Act 1997 (c. 58), and section 112(1) of the Finance Act 2007 (c. 11).
- (c) S.I. 2011/1025.
- (d) Defined in paragraph 3 of Schedule 6 to the Finance Act 2000.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order revokes the Climate Change Levy (Suspension of Transport Exemption) Order 2011 in its entirety, with effect from 1st April 2011. The effect of that Order (“the First Order”) was to suspend the exemption from climate change levy provided for in paragraph 12 of Schedule 6 to the Finance Act 2000 (exemption: supply used in transport), for taxable commodities burned or consumed in relation to open access passenger rail services and rail freight services. Those services were defined in article 4 of the First Order. The suspension of the exemption had effect in relation to supplies of taxable commodities made on or after 1st April 2011.

The First Order was, and this Order is, made in exercise of a power contained in resolution number 47, passed by the House of Commons on 29th March 2011 following the Budget held on 23rd March. The resolution has temporary statutory effect by virtue of section 1 of the Provisional Collection of Taxes Act 1968. It provides that the Treasury may by order provide that paragraph 12 of Schedule 6 to the Finance Act 2000 does not apply in relation to any supply of a taxable commodity which is made on or after 1st April 2011 and is of a description specified in the order. It also provides that any order revoking the whole or any part of an order made under it may provide for the revocation to have effect in relation to supplies made on or after a date which is earlier than the date on which the revocation order is made.

The provisions of the resolution correspond to provisions contained in clause 79 of the Finance (No. 3) Bill, as published by the House of Commons on 31st March 2011. As this Order has been made before the completion of the passage of the Bill through Parliament, the intention is that the clause will be omitted from the Bill at Committee stage. The resolution will cease to have statutory effect when the clause is left out of the Bill; however, this will not affect the validity of the First Order or of this Order revoking it, as both Orders will have been made during the period when the resolution had statutory effect.

A Tax Information and Impact Note covering this instrument was published at Budget on 23rd March 2011 and is available on the HMRC website at www.hmrc.gov.uk/budget2011/tiin6840.

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