

Treasury
Customs and Excise Division

Notice 1002 MAN

Annex E

Excise Duties



January 2016



Isle of Man
Government

Reilys Ellan Vannin

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Isle of Man
Government

Reilrys Ellan Vannin

1972 No. 846

CUSTOMS AND EXCISE

The Gas (Road Fuel) Regulations 1972

<i>Made</i>	<i>2nd June 1972</i>
<i>Laid before Parliament</i>	<i>8th June 1972</i>
<i>Coming into operation</i>	<i>3rd July 1972</i>

The Commissioners of Customs and Excise in exercise of the powers conferred on them by section 3 of the Finance Act 1971 and of all other powers enabling them in that behalf, hereby make the following Regulations -

1. These Regulations may be cited as the Gas (Road Fuel) Regulations 1972.

2. In these Regulations -

“Authorised person” means any person acting under the authority of the Finance Board;

“gas” means any substance which is gaseous at a temperature of 15°C and under a pressure of 1013.25 millibars and which is for use as fuel in road vehicles.

3. The Interpretation Act 1889 shall apply for the interpretation of these Regulations as it applies for the interpretation of an Act of Parliament.

4. (1) Any person who intends to send out, set aside or supply gas shall notify the Finance Board in such form and manner as they may require not later than 7 days before such gas is first sent out, set aside or supplied.

(2) A person who has notified the Finance Board in accordance with sub-paragraph (1), shall within 7 days of any variation arising in such notification, give the Finance Board particulars in writing of that variation.

5. Every person required by Regulation 4 to give a notification shall, unless the Finance Board otherwise require, furnish, not later than the 15th day of each month, to the Collector of Customs and Excise in whose Collection that person’s premises are situated, on forms provided by the Finance Board, a return of the quantities of gas upon which excise duty has not been paid, which have been sent out, set aside or used as fuel in a road vehicle during the preceding month and at the same time pay to that Collector the excise duty chargeable on the said gas.

6. No person shall mix or cause to be mixed gas upon which the duty has been charged with gas upon which the duty has not been charged or with any other substance, save with the authority of the Finance Board and subject to such conditions as they impose.

7. Every person required by Regulation 4 to give a notification shall keep books and documents in which are recorded the date, quantity and description of the gas which on each occasion he produces, deals in, supplies, sends out or sets aside.

8. A person who owns or possesses any road vehicle constructed or adapted to use gas as fuel for its propulsion shall, if the Finance Board so require, keep books and documents showing in respect of each such vehicle –

- (a) the description, registration mark and number of the vehicle;
- (b) the date, quantity and description of all gas taken into the vehicle as fuel for its propulsion;
- (c) the date of, and the distance travelled by the vehicle on, each journey or where the vehicle is used otherwise than in making a journey from place to place, the date and nature of such use,

and shall retain such books and documents for not less than 12 months from the date of the last entry therein, and produce them on demand to an authorised person at all reasonable times for his inspection.

9. Save with the permission of the Finance Board, no person shall within 12 months from the date of the last entry therein, cancel, obliterate, alter or destroy any book or document required by these Regulations to be kept.

10. Every person concerned with the supply or use of gas shall on demand at all reasonable times produce to an authorised person any book or other document relating thereto.

11. An authorised person may, at any reasonable time, enter and inspect any premises (other than a private dwelling house) and may examine any gas and may require the occupier of such premises to give such facilities as may be necessary for that purpose.

12. An authorised person may at any time examine any road vehicle constructed or adapted to use gas as fuel for its propulsion.

13. Every person concerned with the production of, or dealing in gas or owning, possessing, or for the time being in charge of a road vehicle constructed or adapted to use gas as fuel for its propulsion shall on demand by an authorised person furnish such information relating to the supply or use of gas or containers for gas as that authorised person may require.

2nd June 1972

C. T. Cross
Commissioner of Customs and Excise

King's Beam House,
Mark Lane
London, EC3

1985 No. 1450

CUSTOMS AND EXCISE

The Hydrocarbon Oil (Mixing of Oils) Regulations 1985

<i>Made</i>	<i>16th September 1985</i>
<i>Laid before Parliament</i>	<i>23^d September 1985</i>
<i>Coming into operation</i>	<i>15th October 1985</i>

The Commissioners of Customs and Excise in exercise of the powers conferred on them by sections 20A(5), (6) and (7), 21 and 24 of the Hydrocarbon Oil Duties Act 1979 and of all other powers enabling them in that behalf, hereby make the following Regulations -

Citation and commencement

1. These Regulations may be cited as the Hydrocarbon Oil (Mixing of Oils) Regulations 1985.

Interpretation

2. (1) In these Regulations -

“the Act” means the Hydrocarbon Oil Duties Act 1979;

“the 1973 Regulations” means the Hydrocarbon Oil Regulations 1973;

“approved mixer” means a person approved by the Commissioners for the purposes of section 20A of the Act;

“business day” means a day which is a business day within the meaning of the Bills of Exchange Act 1882;

“mixing” means the mixing of a relevant substance with another kind of relevant substance in accordance with section 20A of the Act and “mix” and its cognate expressions shall be construed accordingly.

- (2) Any expression used in these Regulations to which a meaning is given by the 1973 Regulations has, except where the context otherwise requires, the same meaning in these Regulations.

Application

3. These Regulations apply to relevant substances that have been charged with excise duty under the Act.

Approval

4. (1) Save where the Treasury otherwise permits a person seeking approval as a mixer shall apply to the Treasury in writing and give such particulars as they may require.

(2) Approval of persons as mixers, whether individually or by reference to a class, and whether in relation to particular mixtures or generally may be:-

- (a) limited as to the mixture stated in the approval;
- (b) granted subject to conditions; and
- (c) revoked for reasonable cause.

(3) Where conditions are imposed under this regulation they may be varied by reasonable cause.

(4) Any person who has applied to be approved or who has been approved under paragraph (2) above shall notify the Treasury immediately of any change in circumstances which materially affects any application for approval or approval given by the Treasury or security given by him under these Regulations.

Security

5. An approved mixer shall provide security in such amount and in such form as the Treasury may require for:-

- (a) the observance of any conditions imposed under regulation 4(2) above; and
- (b) the furnishing of returns as required by regulation 7 below.

Charge to duty and allowance

6. (1) A mixture subject to a charge of duty under section 20A of the Act shall be charged at the time it is mixed and that duty shall be paid in accordance with regulation 8 below.

(2) Where a mixture is subject to an allowance under section 20A of the Act that allowance shall be determined at the time it is mixed and it shall be made in accordance with regulation 9 below.

Furnishing of returns

7. (1) An approved mixer shall furnish to the Treasury a return, on the last business day of each month, of all mixtures produced in the month preceding that in which the return is rendered, save that the Treasury may allow a return to be rendered on a day and for a period different from the aforesaid.

(2) The return shall be in such form and manner and containing such particulars as the Treasury may require.

Payment of duty

8. At the time of furnishing a return under regulation 7 above an approved mixer shall pay to the Treasury, or account for, the amount of duty appearing by the return to be due for him for the period to which it relates, and any duty which may be due from him for an earlier period.

Allowances

9. Where it appears by a return furnished under regulation 7 above that an allowance under section 20A of the Act is due to an approved mixer, that allowance, unless the Treasury otherwise allows shall be in the form of a credit which he shall set off against excise duty on relevant substances otherwise due from him to the Treasury at the time of furnishing the return.

Amendment of the 1973 Regulations

10. (1) The 1973 Regulations shall be amended in accordance with the provisions of this regulation.

(2) In regulation 2, after the definition of the Management Act there shall be inserted the following definition –

“the mixing Regulations” means the Hydrocarbon Oil (Mixing of Oils) Regulations 1985;”.

(3) In regulation 43:

(a) after the words “in accordance with the terms of” there shall be inserted the words “either an approval granted by the Treasury under the mixing Regulations or”, and

(b) after the words “where they so require” there shall be inserted the words “in relation to such a licence”.

P. Jefferson Smith
Commissioner of Customs and Excise

King's Beam House,
Mark Lane
London, EC3R 7HE
16th September 1985

FINANCE ACT 1993

CHAPTER II

LOTTERY DUTY

The duty

Lottery duty

24. (1) Subject to subsections (3) and (4) below, a duty of excise called "lottery duty" is chargeable –

- (a) on the taking in the Island of a ticket or chance in the National Lottery; and
- (b) in such cases as may be determined by regulations, on the taking outside the Island of a ticket or chance in the National Lottery.

(2) Regulations may make provision for determining when and where the taking of a ticket or chance in a lottery is to be treated as occurring for the purposes of this Chapter.

(3) Lottery duty is not chargeable in respect of a lottery that constitutes a game of bingo (or any version of bingo, by whatever name called).

(4) Subsection (1) does not apply where the promoter of the lottery is in the United Kingdom and the taking of a ticket or chance in the lottery is chargeable with a duty corresponding to lottery duty under an Act of Parliament.

(5) The Treasury may by order amend subsection (4) above so as to add to the descriptions of lottery for the time being mentioned in that subsection, so as to omit any of them or so as to substitute a different description of lottery for any of them.

Amount

25. (1) The amount of the lottery duty chargeable on the taking of a ticket or chance in a lottery is equal to 12 per cent. of the value of the consideration given for the ticket or chance.

(2) Subject to subsection (3) below, the aggregate of everything paid or given by (or debited to the account of) the person taking the ticket or chance for, on account of, or in connection with, the ticket or chance shall be taken to be the consideration given for it.

(3) If a price is shown on a lottery ticket or any other document providing evidence of the taking of a ticket or chance in a lottery and –

- (a) the consideration given for the ticket or chance is of a lesser value than the price shown (or is of no value), or
- (b) no consideration is given for the ticket or chance,

consideration to the value of the price shown shall be taken to be given for the ticket or chance.

Time for payment

26. (1) The lottery duty chargeable on the taking of a ticket or chance in a lottery becomes due and (subject to any regulations under subsection (2) below) payable at the time the ticket or chance is taken.

(2) Regulations may provide for the payment of any lottery duty due in respect of a lottery of a description specified in the regulations to be deferred, subject to any conditions or requirements that may be imposed by or under the regulations.

(3) Regulations may require payments (of amounts determined by or under the regulations) to be made on account of any lottery duty that may become due in respect of a lottery of a description specified in the regulations that is being or is to be promoted.

Persons liable for duty

27. (1) Any lottery duty or payment on account of lottery duty that under section 26 above or regulations under that section is payable in respect of a lottery shall be paid (subject to any regulations under subsection (2) below) by the promoter of the lottery.

(2) Regulations may require any lottery duty or payment on account of lottery duty that is payable in respect of a description specified in the regulations to be paid by a person specified in the regulations (being a person who occupies or has occupied a position of responsibility in relation to the lottery) instead of by the promoter.

(3) Any lottery duty that is payable in respect of that lottery may be recovered jointly and severally from –

- (a) the promoter of the lottery,
- (b) any other person who occupies or has occupied a position of responsibility in relation to the lottery or who has or has had any degree of control over any of its proceeds, and
- (c) where the promoter or a person within paragraph (b) above is a body corporate, any director of that body corporate.

(4) A person who does not make a payment that he is required to make by subsection (1) above or regulations under subsection (2) above at the time the payment becomes payable is guilty of an offence and liable on summary conviction to a penalty of £5000 or, if greater, treble the amount of the unpaid duty or payment on account of duty.

Administration and enforcement

28. (1) Lottery duty shall be under the care and management of the Treasury.

(2) Regulations may provide for any matter for which provision appears to the Treasury to be necessary or expedient for the administration or enforcement of lottery duty or for the protection of the revenue derived from lottery duty.

(3) A person who contravenes or does not comply with any regulations under subsection (2) above is guilty of an offence and liable on summary conviction to a penalty of £5000.

Registration of promoters etc

29. (1) A lottery in respect of which lottery duty is chargeable (or, on the taking of a ticket or chance, will be chargeable) shall not be promoted in the Island unless the chargeable person is

registered with the Treasury under this section or the Commissioners of Customs and Excise under this section as it has effect in the United Kingdom.

- (2) In this section "the chargeable person", in relation to a lottery, means –
- (a) subject to paragraph (b) below, the promoter of the lottery;
 - (b) in the case of a lottery of a description specified in regulations under section 27 (2) above, the other person referred to in that subsection.

- (3) Regulations may make provision –
- (a) as to the time at which an application for registration is to be made, as to the form and manner of such an application and as to the information to be contained in or provided with it,
 - (b) as to the requirements that must be satisfied as a condition of a person's registration or continued registration, and
 - (c) as to other requirements that must be observed by a person while he remains registered.

(4) The requirements imposed by virtue of subsection (3)(b) above may include requirements as to giving of security (by means of a deposit or otherwise) for any lottery duty that may become due.

- (5) Subject to regulations under subsection (3)(a) and (b) above, the Treasury –
- (a) shall register any person applying to it for registration who satisfies it that he will be the chargeable person in relation to a lottery that is to be promoted, and
 - (b) shall not remove any person from the register unless it appears to it that no lottery is being or is to be promoted in relation to which he is or will be the chargeable person.

- (6) Where –
- (a) the Treasury determine that a person should be removed from the register because any requirement imposed by regulations under subsection (3)(b) above is not (or is no longer) satisfied in relation to him, and
 - (b) a lottery in relation to which he is the chargeable person is being promoted at the time it makes that determination,

it shall not remove him from the register until the promotion of that lottery has come to an end.

(7) If subsection (1) above is contravened in relation to a lottery at any time during its promotion, the chargeable person is guilty of an offence and liable –

- (a) on summary conviction, to a penalty of £5000 or to custody for a term not exceeding six months, or to both, or
- (b) on conviction on information, to a penalty of any amount or to custody for a term not exceeding two years, or to both.

(8) A person who contravenes or fails to comply with any requirement imposed by regulations under subsection (3)(c) above is guilty of an offence and liable on summary conviction to a penalty of £5000.

Application of revenue trade provisions of CEMA 1986

30. (1) Section 184(1) of the Customs and Excise Management Act 1986 (interpretation) shall be amended in accordance with subsections (2) and (3) below.

(2) In the definition of "the revenue trade provisions of the customs and excise Acts" –

(a) the word "and" at the end of paragraph (a) shall be omitted, and

(b) at the end there shall be added "; and

(c) the provisions of Chapter II of Part I of the Finance Act 1993 of Parliament as it has effect in the Island;"

(3) In paragraph (1) of the definition of "revenue trader" –

(a) the word "or" at the end of sub-paragraph (i) shall be omitted,

(b) after sub-paragraph (i) there shall be inserted –

"(ia) the buying, selling, importation, exportation, dealing in or handling of tickets or chances on the taking of which lottery duty is or will be chargeable; or", and

(c) in sub-paragraph (ii) after "activities" there shall be inserted "as mentioned in sub-paragraph (i) or (ia)".

(4) In section 123 of the Customs and Excise Management Act 1986 (execution and distress against revenue traders) after subsection (1) there shall be inserted –

"(1A) In subsection (1) as it applies in relation to a sum owing by a revenue trader in respect of lottery duty or of a relevant penalty –

(a) references to goods liable to any excise duty include lottery tickets on the taking of which lottery duty will be chargeable, and

(b) "the trade in respect of which the duty is imposed" includes any trade or business carried on by the revenue trader that consists of or includes the buying, selling, importation, exportation, dealing in or handling of tickets or chances on the taking of which lottery duty is or will be chargeable."

General offences

31. (1) A person who is knowingly concerned –

(a) in the fraudulent evasion (by him or another person) of lottery duty, or

(b) in taking steps with a view to such fraudulent evasion,

is guilty of an offence.

(2) A person guilty of an offence under subsection (1) above is liable –

- (a) on summary conviction, to a penalty of £5000 or, if greater, treble the amount of the duty evaded, or to custody for a term not exceeding six months, or to both, or
 - (b) on conviction on information, to a penalty of any amount or to custody for a term not exceeding seven years, or to both.
- (3) A person who in connection with lottery duty –
- (a) makes a statement that he knows to be false in a material particular or recklessly makes a statement that is false in a material particular, or
 - (b) with intent to deceive, produces or makes use of a book, account, return or other document that is false in a material particular,

is guilty of an offence.

- (4) A person guilty of an offence under subsection (3) above is liable –
- (a) on summary conviction, to a penalty of £5000 or to custody for a term not exceeding six months, or to both, or
 - (b) on conviction on information, to a penalty of any amount or to custody for a term not exceeding two years, or to both.

Offences by bodies corporate

32. Where an offence under this Chapter is committed by a body corporate, every person who at the date of the commission of the offence is a director, manager, secretary or other similar officer of the body corporate (or is purporting to act in such a capacity) is also guilty of the offence unless –

- (a) the offence is committed without his consent or connivance, and
- (b) he has exercised all such diligence to prevent its commission as he ought to have exercised, having regard to the nature of his functions in that capacity and to all the circumstances.

Forfeiture

33. (1) Where a person has committed an offence under section 31(1) or (3) above, any goods used in the promotion of, or in any other way related to, a relevant lottery are liable to forfeiture.

- (2) In subsection (1) above “relevant lottery” –
- (a) in relation to an offence under section 31(1) above, means a lottery in respect of which lottery duty was fraudulently evaded or (as the case may be) in respect of which the fraudulent evasion of lottery duty was sought, and
 - (b) in relation to an offence under section 31(3) above, means a lottery to which the false statement or (as the case may be) false documents related.

Protection of officers etc.

34. Where a person takes an action in pursuance of instructions of the Treasury given in connection with the enforcement of this Chapter or of regulations under it and, apart from this

section, the person would in taking that action be committing an offence under any enactment relating to lotteries, he shall not be guilty of that offence.

Evidence by certificates etc.

35. (1) A certificate of the Treasury –
- (a) that a person was or was not, at any date, registered under section 29 above,
 - (b) that any return required by regulations under this Chapter had not been made at any date, or
 - (c) that any lottery duty shown as due in a return made in pursuance of such regulations or in an estimate made under section 12 of the Finance Act 1994 of Parliament, as it has effect in the Island had not been paid at any date,

is sufficient evidence of that fact until the contrary is proved.

(2) A photograph of any document furnished by the Treasury for the purposes of this Chapter and certified by it to be such a photograph is admissible in any proceedings, whether civil or criminal, to the same extent as the document itself.

(3) Any document purporting to be a certificate under subsection (1) or (2) above shall be taken to be such a certificate until the contrary is proved.

Duty a preferential debt in insolvency

36. ...Omitted.

Disclosure of information

37. (1) Notwithstanding any obligation not to disclose information that would otherwise apply, the Treasury may disclose information –

- (a) to the Secretary of State,
- (b) to the Isle of Man Gaming Control Commissioners or an authorised officer of the Commissioners, or
- (c) to an authorised officer of the Secretary of State,

for the purpose of assisting the Secretary of State or Isle of Man Gaming Control Commissioners (as the case may be) in the performance of duties imposed by or under any enactment in relation to lotteries.

(2) Notwithstanding any such obligations as is mentioned in subsection (1) above –

- (a) ...omitted,
- (b) the Isle of Man Gaming Control Commissioners, or
- (c) an authorised officer of the Isle of Man Gaming Control Commissioners,

may disclose information to the Treasury or to an authorised officer of the Treasury for the purpose of assisting the Treasury in the performance of duties in relation to lottery duty.

(3) Information that has been disclosed to a person by virtue of this section shall not be disclosed by him except –

- (a) to another person to whom (instead of him) disclosure could by virtue of this section have been made, or
- (b) for the purpose of any proceedings connected with the operation of any enactment in relation to lotteries or lottery duty.

(4) References above in this section to the Secretary of State include any person who has been designated by the Secretary of State as a person to and from whom information may be disclosed under this section.

(5) The Secretary of State shall notify the Treasury in writing if he designates a person under subsection (4) above.

Supplementary

Regulations and orders

38. (1) Any regulations under this Chapter may make –

- (a) different provision for different cases or circumstances, and
- (b) incidental, supplemental or consequential provision.

(2) Any power to make regulations or orders under this Chapter is exercisable by statutory document.

(3) ...Omitted.

(4) An order under section 24(5) above that will result in lottery duty becoming chargeable in respect of any description of lottery shall not be made unless a draft of the statutory document containing it has been approved by Tynwald.

Disapplication of pool betting duty

39. In section 2 of the Pool Betting (Isle of Man) Act 1961 (XIX p.317 of Tynwald), following subsection (1) insert –

“(1A) A bet does not include the taking of a ticket or chance in a lottery.”.

Interpretation

40. (1) In this Chapter –

“document”, except in the case of “statutory document”, includes a document of any kind whatsoever and, in particular, a record kept by means of a computer,

“lottery” means a lottery designated under section 1 of the National Lottery Act 1999,

“promotion”, in relation to a lottery, includes the conduct of the lottery (and “promoted” is to be read accordingly), and

“regulations” means regulations made by the Treasury.

(2) This Chapter applies in relation to lotteries promoted on behalf of the Crown in pursuance of any enactment as it applies in relation to lotteries not so promoted.

(3) The imposition by this Chapter of lottery duty does not make lawful anything that is unlawful apart from this Chapter.

Commencement

41. This Chapter shall come into operation on 1 December 1999.

FINANCE ACT 1994

CHAPTER IV

AIR PASSENGER DUTY

The duty

Air passenger duty

28. (1) A duty to be known as air passenger duty shall be charged in accordance with this Chapter on the carriage on a chargeable aircraft of any chargeable passenger.

(2) Subject to the provisions of this Chapter about accounting and payment, the duty in respect of any carriage on an aircraft of a chargeable passenger -

- (a) becomes due when the aircraft first takes off on the passenger's flight, and
- (b) shall be paid by the operator of the aircraft.

(3) Subject to section 29 below, every aircraft designed or adapted to carry persons in addition to the flight crew is a chargeable aircraft for the purposes of this Chapter.

(4) Subject to sections 31 and 32 below, every passenger on an aircraft is a chargeable passenger for the purposes of this Chapter if his flight begins at an airport in the Island.

(5) In this Chapter, "flight", in relation to any person, means his carriage on an aircraft; and for the purposes of this Chapter, a person's flight is to be treated as beginning when he first boards the aircraft and ending when he finally disembarks from the aircraft.

Chargeable aircraft

29. (1) Where -

- (a) the authorised take-off weight in respect of an aircraft is less than ten tonnes, or
- (b) an aircraft is not authorised to seat twenty or more persons (excluding members of the flight crew and cabin attendants),

the aircraft is not a chargeable aircraft for the purposes of this Chapter.

(2) In this section "take-off weight", in relation to an aircraft, means the total weight of the aircraft and its contents when taking off; and for the purposes of this section the authorised take-off weight of an aircraft is less than ten tonnes if -

- (a) there is a certificate of airworthiness in force in respect of the aircraft showing that the maximum authorised take-off weight (assuming the most favourable circumstances for take-off) is less than ten tonnes, or
- (b) the Treasury are satisfied that the aircraft is not designed or adapted to take-off when its take-off weight is ten tonnes or more (assuming the most favourable circumstances for take-off) or the aircraft belongs to a class or description of aircraft in respect of which the Treasury are so satisfied.

(3) For the purposes of this section an aircraft is not authorised as mentioned in subsection (1)(b) above if -

- (a) there is a certificate of airworthiness in force in respect of the aircraft showing that the maximum number of persons who may be seated on the aircraft (excluding members of the flight crew and cabin attendants) is less than twenty, or
- (b) the Treasury are satisfied that the aircraft is not designed or adapted to seat twenty or more persons (excluding members of the flight crew and cabin attendants) or the aircraft belongs to a class or description of aircraft in respect of which the Treasury are so satisfied.

(4) In this section "certificate of airworthiness" has the same meaning as in the Air Navigation Order.

The rate of duty

30. (1) Air passenger duty is chargeable on the carriage of each chargeable passenger at the rate determined as follows.

(2) If a passenger's journey ends at a place in the United Kingdom or a territory specified in Part 1 of Schedule 5A -

- (a) if the passenger's agreement for carriage provides for standard class travel in relation to every flight on the passenger's journey, the rate is £13; and
- (b) in any other case, the rate is £26.

(3) ...Omitted.

(4) ...Omitted.

(4A) If the passenger's journey ends at any other place -

- (a) if the passenger's agreement for carriage provides for standard class of travel in relation to every flight on the passenger's journey, the rate is £71; and
- (b) in any other case, the rate is £142.

(5) Subject to subsection (6) below, the journey of a passenger whose agreement for carriage is evidenced by a ticket ends for the purposes of this section at his final place of destination.

(6) Where in the case of such a passenger -

- (a) his journey includes two or more flights; and
- (b) any of this flights is not followed by a connected flight,

his journey ends for those purposes where the first flight not followed by a connected flight ends.

(7) The journey of any passenger whose agreement for carriage is not evidenced by a ticket ends for those purposes where his flight ends.

(8) For the purposes of this Chapter, successive flights are connected if (and only if) they are treated under an order as connected.

(8A) The Treasury may by order amend Schedule 5A.

(9) ...Omitted.

(9A) ...Omitted.

(9B) ...Omitted.

(10) In this section "standard class travel", in relation to carriage on an aircraft, means –

(a) in the case of an aircraft on which only one class of travel is available, that class of travel;

(b) in any other case, the lowest class of travel available on the aircraft.

(11) But a class of travel is not standard class travel if the seats for passengers whose agreement for carriage provides for that class of travel have a pitch exceeding 1.016 metres (40 inches).

(12) For the purpose of this section, "pitch", in relation to a seat, means the distance between a fixed point on the seat and the same point on the seat immediately in front of it; but where there is no seat immediately in front of the seat, the seat is to be treated as having the same pitch as the seat immediately behind it.

Passengers: exceptions

31. (1) ...Omitted.

(2) ...Omitted.

(3) A passenger whose agreement for carriage is evidenced by a ticket is not a chargeable passenger in relation to a flight which is the second or a subsequent flight on his journey if -

(a) the prescribed particulars of the flight are shown on the ticket, and

(b) that flight and the previous flight are connected.

(4) A child who -

(a) has not attained the age of two years, and

(b) is not allocated a separate seat before he first boards the aircraft,

is not a chargeable passenger.

(4ZA) A child who has not attained the age of 12 years is not a chargeable passenger in relation to a flight if the child's agreement for carriage -

(a) is evidenced by a ticket; and

(b) provides for standard class travel in relation to every flight on the child's journey,

where the carriage of the child as a passenger begins on or after 1 May 2015 and before 1 March 2016.

(4ZB) A child who has not attained the age of 16 years is not a chargeable passenger in relation to a flight if the child's agreement for carriage -

- (a) is evidenced by a ticket; and
- (b) provides for standard class travel in relation to every flight on the child's journey,

where the carriage of the child as a passenger begins on or after 1 March 2016.

(4ZC) Subsections (10) to (12) of section 30 (meaning of "standard class travel") apply for the purposes of subsections 4ZA and 4ZB as they apply for the purposes of that section.

(4A) A passenger is not a chargeable passenger in relation to a flight if under his agreement for carriage (whether or not it is evidenced by a ticket) -

- (a) the flight is to depart from and return to the same airport, and
 - (b) the duration of the flight (excluding any period during which the aircraft's doors are open for boarding or disembarkation) is not to exceed 60 minutes.
- (5) A passenger not carried for reward is not a chargeable passenger if he is carried -
- (a) in pursuance of any requirement imposed under any enactment, or
 - (b) for the purpose only of inspecting matters relating to the aircraft or the flight crew.
- (6) ...Omitted.

Change of circumstances after ticket issued etc.

32. (1) Subsections (2) and (3) below apply in the case of a person whose agreement for carriage is evidenced by a ticket.

- (2) Where -
- (a) at the time the ticket is issued or, if it is altered, at the time it is last altered, he would not (assuming there is no change of circumstances) be a chargeable passenger in relation to any flight in the course of his journey, and
 - (b) by reason only of a change of circumstances not attributable to any act or default of his, he arrives at or departs from an airport in the course of that journey on a flight the prescribed particulars of which were not shown on his ticket at that time,

he shall not by reason of the change of circumstances be treated as a chargeable passenger in relation to that flight.

- (3) Where -
- (a) at the time the ticket is issued or, if it is altered, at the time it is last altered, he would (assuming there is no change of circumstances) be a chargeable passenger in relation to one or more flights ("the proposed chargeable flights") in the course of his journey,
 - (b) by reason only of a change of circumstances not attributable to any act or default of his, he arrives at or departs from an airport in the course of that journey on a flight the prescribed particulars of which were not shown on his ticket at that time, and

- (c) but for this subsection he would by reason of the change be a chargeable passenger in relation to a number of flights exceeding the number of the proposed chargeable flights,

he shall not by reason of the change of circumstances be treated as a chargeable passenger in relation to that flight.

(4) Where -

- (a) at the time a passenger's flight begins, by virtue of section 31(4A) above he would not (assuming there is no change of circumstances) be a chargeable passenger in relation to the flight, and
- (b) by reason only of a change of circumstances not attributable to any act or default of his, the flight does not return to the airport from which it departed or exceeds 60 minutes in duration (excluding any period during which the aircraft's doors are open for boarding or disembarkation),

he shall not by reason of the change of circumstances be treated as a chargeable passenger in relation to that flight.

Persons liable for the duty

Registration of aircraft operators

33. (1) The Treasury shall under this section keep a register of aircraft operators.

(2) The operator of a chargeable aircraft becomes liable to be registered under this section if the aircraft is used for the carriage of any chargeable passengers.

(3) A person who has become liable to be registered under this section ceases to be so liable if the Treasury are satisfied at any time -

- (a) that he no longer operates any chargeable aircraft, or
- (b) that no chargeable aircraft which he operates will be used for the carriage of chargeable passengers.

(4) ...Omitted.

(5) Notice under subsection (4) above shall be in such form, be given in such manner and contain such information as the Treasury may direct.

(6) If a person who is required to give notice under subsection (4) above fails to do so, his failure shall attract a penalty under section 9 above which, if any amount of duty is then due from him and unpaid, shall be calculated by reference to that amount.

(7) ...Omitted.

(8) ...Omitted.

Fiscal representatives

34. (1) An aircraft operator who -

- (a) is or is liable to be registered, and

(b) does not meet the requirements of subsection (3) below,

is required to have a fiscal representative.

(2) In this Chapter "fiscal representative", in relation to an aircraft operator, means a person who meets those requirements and stands appointed by the operator for the purposes of this section.

(3) A person meets the requirements of this subsection if -

(a) he has any business establishment or other fixed establishment in the Island, or

(b) if he is an individual, he has his usual place of residence in the Island.

(4) Where any person is appointed under this section to be the fiscal representative of any aircraft operator (in this section referred to as his "principal"), then, subject to subsection (5) and section 34A below, the fiscal representative -

(a) shall be entitled to act on his principal's behalf for any of the purposes of the enactments relating to duty,

(b) shall, subject to such provisions as may be made by regulations, secure (where appropriate by acting on his principal's behalf) his principal's compliance with and discharge of the obligations and liabilities to which his principal is subject by virtue to those enactments, and

(c) shall be personally liable in respect of any failure of his principal to comply with or discharge any such obligation or liability as if the obligations and liabilities imposed on his principal were imposed jointly and severally on the fiscal representative and his principal.

(5) ...Omitted.

Administrative representatives

34A. (1) Subject to the following provisions of this section, where -

(a) the appointment of any person to be the fiscal representative of an aircraft operator contains a statement that the appointment is made for administrative purposes only,

(b) the operator has complied with any obligations for the provision of security imposed, in relation to appointments containing such statements, by any general directions given by the Treasury, and

(c) the operator is not for the time being in contravention of any requirement to provide any security that he is required to provide under section 36,

that appointment shall have effect in accordance with subsection (2).

(2) Where the appointment of any person as a fiscal representative has effect in accordance with this subsection, section 34(4)(b) and (c) shall be taken, in the case of that person -

(a) not to impose any requirement on the representative to secure the payment of amounts of duty which are or may become due from his principal, and

- (b) not to make him personally liable either to pay any such amounts or in respect of any failure by his principal to pay them.

(3) The security that may be required by general directions given by the Treasury for the purposes of this section is any such security for the amounts of duty which are or may become due from the person providing the security as may be determined in accordance with the directions.

(4) The power of the Treasury under section 36 to require the provision of security shall not include any power to require a fiscal representative of an aircraft operator whose appointment has effect in accordance with subsection (2) to provide any security for the payment of amounts of duty which are or may become due from his principal.

(5) In this section references to an amount of duty include references to any penalty or interest that is recoverable as if it were an amount of duty, but only in so far as the penalty or interest is in respect of a failure by an aircraft operator to pay an amount of duty, or to pay such an amount before a certain time.

Fiscal representatives: supplementary

35. (1) ...Omitted.

(2) If any aircraft operator who is required to have a fiscal representative fails to appoint such a representative before the prescribed time, his failure shall attract a penalty under section 9 above.

(3) Any failure of a fiscal representative to give any notice which he is required to give by regulations under section 34(5)(b) above shall attract a penalty under section 9 above.

Security for payment of duty

36. (1) The Treasury may require -

- (a) any operator of an aircraft who is or is liable to be registered, or
- (b) any fiscal representative,

to provide such security, or further security, as they may think appropriate for the payment of any duty which is or may become due from the operator.

(2) Any failure by a person to provide any security which he is required by the Treasury to provide under subsection (1) above shall attract a penalty under section 9 above.

(3) For the purposes of this section, a person shall not be treated as having been required to provide security under subsection (1) above unless the Treasury have either -

- (a) served notice of the requirement on him, or
- (b) taken all such other steps as appear to them to be reasonable for bringing the requirement to his attention.

Handling agents

37. (1) Where any amount of duty becomes payable at any time by the operator of an aircraft and, within the period of ninety days beginning with that time, that amount, or any other amount which becomes payable by him within the period, is not paid, the Treasury may give notice under this section to any handling agent of his.

(2) If any operator of an aircraft who is required to have a fiscal representative fails to appoint such a representative before the prescribed time, the Treasury may give notice under this section to any handling agent of his.

(3) In this Chapter "handling agent", in relation to the operator of an aircraft ("the principal"), means any person (other than an individual) who, under an agreement with the principal, makes arrangements for -

- (a) the allocation of seats to passengers on aircraft operated by the principal, or
- (b) the supervision of the boarding of such aircraft by passengers.

(4) A notice under this section -

- (a) may be given on the ground referred to in subsection (1) above only if the Treasury consider it necessary to do so for the protection of the revenue, and
- (b) may at any time be withdrawn by the Treasury.

(5) A notice under this section shall become effective on the date stated in it or, if later, the time when the notice is received by the handling agent and shall continue to be effective until withdrawn.

(6) If, where a notice given to a handling agent under this section is effective -

- (a) the allocation of seats to passengers on aircraft operated by his principal, or the supervision of the boarding of such aircraft by passengers, is carried out in pursuance of arrangements made by him under any agreement with his principal, and
- (b) any duty payable in respect of those passengers is not paid,

the handling agent shall be liable jointly and severally with his principal for the payment of the duty.

Accounting for and payment of duty

38. (1) ...Omitted.

(2) Any person from whom any duty is due shall pay the duty at such time and in such manner as may be prescribed or specified.

(3) In this section, "specified" means specified in a notice published, and not withdrawn, by the Treasury.

(4) Any failure by any person to comply with regulations under this section shall, unless he is complying with the corresponding provisions of such a notice, attract a penalty under section 9 above and, in the case of any failure to keep accounts, daily penalties.

Schemes for simplified operation of Chapter

39. (1) This section applies if the Treasury considers that, having regard to difficulties encountered or expected to be encountered by any registered operator in obtaining and recording information about passengers and their journeys, it is appropriate for this Chapter to have effect in relation to the registered operator in accordance with a special accounting scheme.

(2) The Treasury may agree with the registered operator that this Chapter is to have effect in relation to the registered operator in accordance with a special accounting scheme agreed between the Treasury and the registered operator (but subject to subsection (4)).

(3) A special accounting scheme is a scheme which makes provision for methods of calculating -

- (a) how many persons are to be regarded for the purposes of this Chapter as chargeable passengers carried by chargeable aircraft operated by a registered operator; and
- (b) how many of those are to be so regarded as having been so carried on journeys in respect of which duty is chargeable at any particular rate.

(4) The Treasury may publish a notice specifying terms and conditions subject to which special accounting schemes are to have effect.

(5) Where the Treasury and a registered operator have agreed that this Chapter is to have effect in relation to the registered operator in accordance with a special accounting scheme, this Chapter has effect in relation to the registered operator in accordance with the scheme (and with any notice under subsection (4) which has been published by the Treasury and not withdrawn) for the period agreed by the Treasury and the registered operator.

(6) The Treasury and the registered operator may at any time agree to vary the special accounting scheme for the future.

(7) The Treasury may at any time terminate the operation of the special accounting scheme -

- (a) on the application of the registered operator; or
- (b) where it has reasonable grounds for doing so,

by giving notice to the registered operator.

Administration and enforcement

Administration and enforcement

40. (1) Air passenger duty shall be a duty of excise and, accordingly, shall be under the care and management of the Treasury.

(2) Schedule 6 to this Act (administration and enforcement) shall have effect.

Offences

41. (1) A person who is knowingly concerned -

- (a) in the fraudulent evasion (by him or another person) of duty, or
- (b) in taking steps with a view to such fraudulent evasion,

is guilty of an offence.

(2) A person guilty of an offence under subsection (1) above is liable -

- (a) on summary conviction, to a fine not exceeding -

- (i) £5,000, or
 - (ii) if greater, treble the amount of duty evaded or sought to be evaded, or to imprisonment for a term not exceeding six months, or to both, or
 - (b) on conviction on information, to a penalty of any amount or to imprisonment for a term not exceeding seven years, or to both.
- (3) A person who in connection with duty -
- (a) makes a statement that he knows to be false in a material particular or recklessly makes a statement that is false in a material particular, or
 - (b) with intent to deceive, produces or makes use of a book, account, return or other document that is false in a material particular,

is guilty of an offence.

- (4) A person guilty of an offence under subsection (3) above is liable -
- (a) on summary conviction, to a penalty of £5,000 or to imprisonment for a term not exceeding six months, or to both, or
 - (b) on conviction on information, to a penalty of any amount or to imprisonment for a term not exceeding two years, or to both.

Supplementary

Regulations and orders

42. In this Chapter "regulations" and "order" means regulations and orders under this Chapter which have effect in the Island.

Interpretation

43. (1) In this Chapter -

"accounting period" means any period prescribed or allowed for the purposes of section 38 above,

"agreement for carriage", in relation to the carriage of any person, means the agreement or arrangement under which he is carried, whether the carriage is by a single carrier or successive carriers,

"Air Navigation Order" has the same meaning as in the Civil Aviation Act 1982, as it has effect in the Island,

"airport" means any aerodrome (within the meaning of that Act),

"carriage" means carriage wholly or partly by air, and "carried" is to be read accordingly,

"connected", in relation to any flights, has the meaning given by section 30(8) above,

"document" includes information recorded in any form,

“duty” means air passenger duty,

“fiscal representative” has the meaning given by section 34(2) above,

“flight” has the meaning given by section 28(5) above,

“operator”, in relation to any aircraft, means the person having the management of the aircraft for the time being,

“passenger”, in relation to any aircraft, means -

(a) where the operator is an air transport undertaking (within the meaning of the Air Navigation Order), any person carried on the aircraft other than -

(i) a member of the flight crew,

(ii) a cabin attendant, or

(iii) a person who is not carried for reward, who is an employee of any aircraft operator and who satisfies such other requirements as may be prescribed, and

(b) in any other case, any person carried on the aircraft for reward,

“prescribed” means prescribed by regulations,

“reward”, in relation to the carriage of any person, includes any form of consideration received or to be received wholly or partly in connection with the carriage, irrespective of the person by whom or to whom the consideration has been or is to be given, and

“ticket” means a document or documents evidencing an agreement (wherever made) for the carriage of any person.

(2) In this Chapter, in relation to a passenger whose agreement for carriage is evidenced by a ticket –

“journey” means the journey from his original place of departure to his final place of destination, and

“original place of departure” and “final place of destination” mean the original place of departure and the final place of destination indicated on his ticket.

(3) ...Omitted.

(4) Subject to the preceding provisions of this section, expressions used in this Chapter and in the Customs and Excise Management Act 1979 1986 have the same meaning as in that Act.

Commencement

44. (1) This Chapter applies to any carriage of a passenger on an aircraft which begins after 31st October 1994.

(2) For the purpose of determining whether or not a person is a chargeable passenger in relation to any carriage on an aircraft beginning after that date, the provisions of section 31 above and any order made by virtue of that section shall be treated as having applied to any such carriage

of that person which began on or before that date as they would apply to any such carriage of that person beginning after that date.

SCHEDULE 5A

AIR PASSENGER DUTY: TERRITORIES ETC

PART 1

PART 1 TERRITORIES

Albania	Finland	Libya	Romania
Algeria	France (including Corsica)	Liechtenstein	Russian Federation, west of the Urals
Andorra	Germany	Lithuania	San Marino
Austria	Gibraltar	Luxembourg	Serbia
Azores	Greece	Former Yugoslav Republic of Macedonia	Slovak Republic
Belarus	Greenland	Malta	Slovenia
Belgium	Guernsey	Moldova	Spain (including the Balearic Islands and the Canary Islands)
Bosnia and Herzegovina	Hungary	Monaco	Sweden
Bulgaria	Iceland	Montenegro	Switzerland
Croatia	Republic of Ireland	Morocco	Tunisia
Cyprus	Italy (including Sicily and Sardinia)	Netherlands	Turkey
Czech Republic	Jersey	Norway (including Svalbard)	Ukraine
Denmark (including the Faroe Islands)	Republic of Kosovo	Poland	Western Sahara
Estonia	Latvia	Portugal (including Madeira)	

SCHEDULE 6

AIR PASSENGER DUTY: ADMINISTRATION AND ENFORCEMENT

Application of excise enactments

1. (1) The Customs and Excise Management Act 1986 shall have effect for the purposes of Chapter IV of Part I of this Act in relation to -

- (a) any person who is or is liable to be registered,
- (b) any fiscal representative, and
- (c) any handling agent where a notice given to him under section 37 of this Act is effective,

as it has effect in relation to revenue traders, but with the modifications mentioned in sub-paragraph (2), and paragraphs 3 and 4, below.

(2) That Act shall have effect, in relation to any person to whom sub-paragraph (1) above applies, as if -

- (a) the reference in section 117(1) (power of entry) to vehicles included aircraft,
- (b) section 121 (payment of duty) were omitted,
- (c) in section 123 (execution and distress) -
 - (i) the references to goods liable to any excise duty included tickets, and
 - (ii) the references to the trade in respect of which duty is imposed were to the trade or business by virtue of which sub-paragraph (1) above applies to him, and
- (d) any power under section 124B(1)(b) to require any person who is or is liable to be registered to produce or cause to be produced any such documents as are referred to in that subsection included power to require his fiscal representative to produce them.

2. Section 124B of that Act shall have effect for the purposes of Chapter IV of Part I of this Act in relation to any person who, in the course of a trade or business carried on by him, issues or arranges for the issue of tickets as if -

- (a) he were a revenue trader, and
- (b) the references to services supplied by or to him in the course or furtherance of a business were to services supplied by or to him in the course of issuing or arranging for the issue of tickets.

3. (1) A notice may require any person to whom paragraph 1 above applies to furnish, at specified times and in the specified form, any such information to the Treasury as he could be required by the Treasury to furnish under subsection (1) of section 124B; and any such requirement shall have effect as a requirement under that subsection.

(2) A notice may require any person to whom paragraph 1 or 2 above applies to produce or cause to be produced for inspection by an officer, at specified places and times, any such documents as he could be required by the officer to produce under that subsection; and any such requirement shall have effect as a requirement under that subsection.

(3) In this paragraph -

“notice” means a notice published, and not withdrawn, by the Treasury, and

“specified” means specified in such a notice.

4. In relation to any person to whom paragraph 1 or 2 above applies -

(a) that Act shall have effect as if “document” had the same meaning as in Chapter IV of Part I of this Act, and

(b) that Act and this Schedule shall have effect as if any reference to the production of any document, in the case of information recorded otherwise than in legible form, were to producing a copy of the information in legible form.

Information

5. (1) Any person having the management of an airport shall, if required to do so by the Treasury -

(a) give notice to the Treasury, within such time and in such form as they may reasonably require, stating whether or not he holds or has at any time held any information relating to the matters mentioned in sub-paragraph (3) below and, if he does or has done, stating the general nature of the information, and

(b) furnish to the Treasury, within such time and in such form as they may reasonably require, such information relating to such matters as they may reasonably specify.

(2) Any such person shall, if required to do so by an officer, produce any documents relating to those matters, or cause them to be produced, for inspection by that officer.

(3) The matters referred to in sub-paragraphs (1) and (2) above are -

(a) whether or not any aircraft is a chargeable aircraft,

(b) who is the operator of any aircraft,

(c) whether or not any person is a handling agent of the operator of any aircraft, and

(d) whether or not any duty is payable on the carriage of any person and, if so, the amount of duty.

(4) Documents produced under sub-paragraph (2) above shall be produced, at such time as the officer may reasonably require, at the principal place of business of the person required to produce them or cause them to be produced or at such other place as the officer may reasonably require.

(5) An officer may take copies of, or make extracts from, any document produced under this paragraph.

(6) If it appears to an officer to be necessary to do so, he may, at a reasonable time and for a reasonable period, remove any document produced under this paragraph.

(7) Where an officer removes a document under sub-paragraph (6) above, then -

- (a) if the person from whom it is removed so requests, the officer shall give him a receipt for the document,
- (b) if the document is reasonably required for the proper conduct of any 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, and
- (c) if the document is lost or damaged, the Treasury shall be liable to compensate the owner for any expenses reasonably incurred by him in replacing or repairing it.

(8) Any reference in this paragraph to the production of a document, . In the case of information recorded otherwise than in legible form, is to producing a copy of the information in legible form.

(9) Any failure by a person having the management of an airport to comply with a requirement imposed under this paragraph shall attract a penalty under section 9 of this Act.

Application of Chapter II

6. An appeal which relates to duty shall not be entertained under section 16 of this Act at any time if any return which the appellant is required by regulations made by virtue of section 38 of this Act to make has not at that time been made.

Interest payable to Treasury

7. (1) Where an assessment of duty due from any person ("the person assessed") is made under section 12 of this Act and any of the conditions in sub-paragraph (2) below is fulfilled, the whole of the amount assessed shall, subject to paragraph 8 below, carry interest at the specified rate from the reckonable date until payment.

(2) The conditions are -

- (a) that the assessment relates to an accounting period in respect of which either a return has previously been made or an earlier assessment has already been notified to the person assessed, or
- (b) that the assessment relates to an accounting period which exceeds one month and begins on the date on which the person assessed was, or became liable to be, registered.

(3) In a case where -

- (a) the circumstances are such that an assessment of duty due from any person could have been made and, if it had been made, the conditions in sub-paragraph (2) above would have been fulfilled, but
- (b) before such an assessment was made the duty was paid (so that no such assessment was necessary),

the whole of the amount paid shall carry interest at the specified rate from the reckonable date until the date on which it was paid.

(4) In this paragraph and paragraph 8 below the "reckonable date" means the latest date on which a return is required to be made under Chapter IV of Part I of this Act for the accounting period to which the amount assessed or paid relates; and interest under this paragraph shall run from the reckonable date even if that date is a non-business day, within the meaning of section 92 of the Bills of Exchange Act 1883.

(5) Interest under this paragraph shall be paid without any deduction of income tax.

8. (1) Where on an appeal by any person ("the appellant") to a tribunal under section 16 of this Act against an assessment of duty -

- (a) it is found that the whole or any part of the duty was due from him, and
- (b) the amount due, or any part of that amount, has not been paid and no cash security has been given for it,

that amount or, as the case may be, that part of it shall carry interest at such rate as the tribunal may determine from the reckonable date until payment.

(2) In sub-paragraph (1) above, "cash security" means such adequate security as enables the Treasury to place the amount in question on deposit.

(3) Interest under this paragraph shall be paid without any deduction of income tax.

Interest payable by the Treasury

9. ...Omitted.

10. (1) ...Omitted.

(2) The Treasury shall pay interest to the appellant, at such rate as the tribunal may determine, on -

- (a) so much of the duty paid as is found not to be due or,
- (b) so much of the cash security as relates to duty found not to be due,

for the period beginning with the payment of duty or, as the case may be, giving of the cash security and ending with its repayment.

(3) In this paragraph "cash security" means such adequate security as enables the Treasury to place the amount in question on deposit.

Interest: specified rate

11. (1) In paragraphs 7 and 9 above, "the specified rate" means such rate as may be specified in an order.

(2) An order specifying rates of interest -

- (a) may specify different rates for different purposes,

- (b) shall apply to interest for period beginning on or after the date when the order is expressed to come into force, whether or not interest runs from before that date.

Assessment of interest

11A. (1) Where by virtue of paragraph 7 above duty due from any person for an accounting period carries interest, the Treasury may assess that person to an amount of interest in accordance with this paragraph.

(2) Notice of the assessment shall be given to the person liable for the interest or a representative of his.

(3) The amount of the interest shall be calculated by reference to a period ending on a date ("the due date") no later than the date of the notice.

(4) The notice shall specify -

- (a) the amount of the duty which carries the interest assessed ("the specified duty");
- (b) the amount of the interest assessed ("the specified interest");
- (c) the due date; and
- (d) a date by which that amount is required to be paid ("the payment date").

(5) Sub-paragraphs (6) and (7) below apply where the specified duty or any part of it is unpaid on the date of the notice.

(6) If the unpaid amount or any part of it is paid by the payment date, the payment shall be treated for the purposes of paragraph 7 above as made on the due date.

(7) To the extent that the unpaid amount is not paid by the payment date, an assessment may be made under this paragraph in respect of any interest on the unpaid amount which accrues after the due date.

(8) For the purposes of sub-paragraphs (6) and (7) above, a payment -

- (a) which purports to be a payment of the unpaid amount or any part of it, but
- (b) which is insufficient to discharge both the liability to pay the unpaid amount and the liability to pay the specified interest,

shall be treated as made in discharge (or partial discharge) of the liability to pay the specified interest before it is treated as discharging to any extent the liability to pay the unpaid amount.

(9) A notice of interest assessed under this paragraph may be combined in one document with notification of an assessment under section 12 of this Act which relates to the specified duty.

(10) A notice which is so combined must comply with the requirements of this paragraph which relates to a notice which is not so combined.

(11) The specified interest shall be recoverable as if it were duty due from the person assessed to that interest.

(12) For the purposes of this paragraph a person is a representative of another if -

- (a) he is that other's personal representative;

- (b) he is that other's trustee in bankruptcy or is a receiver or liquidator appointed in relation to that other or in relation to any of his property; or
- (c) he is a person acting in some other representative capacity in relation to that other.

Evidence by certificate

12. (1) A certificate of the Treasury -

- (a) that a person was or was not, on that date specified in the certificate, registered or liable to be registered under section 33 of this Act,
- (b) that the name of any person was or was not, on any date so specified, shown as the fiscal representative of any person in the register kept under that section,
- (c) that any aircraft was or was not, on any date so specified, a chargeable aircraft,
- (d) that any return required to be made under regulations made by virtue of section 38 of this Act had not, on any date so specified, been made, or
- (e) that any duty shown as due in such a return, or in an assessment under section 12 of this Act, had not, on any date so specified, been paid,

shall be sufficient evidence of that fact until the contrary is proved.

(2) A photograph of any document furnished to the Treasury for the purposes of Chapter IV of Part I of this Act and certified by them to be such a photograph shall be admissible in any proceedings, whether civil or criminal, to the same extent as the document itself.

(3) Any document purporting to be a certificate under sub-paragraph (1) or (2) above shall be taken to be such a certificate until the contrary is proved.

Preferential debt

13. ...Omitted.

1994 No. 1737

CUSTOMS AND EXCISE

**The Aircraft Operators (Accounts and Records)
Regulations 1994**

<i>Made</i>	<i>1st July 1994</i>
<i>Laid before Parliament</i>	<i>1st July 1994</i>
<i>Coming into force</i>	<i>1st November 1994</i>

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by sections 118A and 172 of the Customs and Excise Management Act 1979 and paragraph 1(1) of Schedule 6 to the Finance Act 1994 and of all other powers enabling them in that behalf, hereby make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Aircraft Operators (Accounts and Records) Regulations 1994.

Application

2. (1) These Regulations shall apply to every operator who operates chargeable aircraft for the carriage of chargeable passengers.

(2) Where, in relation to air passenger duty, the Revenue Traders (Accounts and Records) Regulations 1993 would apply to any operator or fiscal representative, these Regulations shall apply to him and those Regulations shall not apply to him.

Interpretation

3. (1) In these Regulations -

“the Act” means the Finance Act 1994;

“Air Passenger Duty Account” has the meaning given in regulation 4;

“operator” means the operator of an aircraft;

“scheme” means a scheme prepared for a registered operator in accordance with the provisions of section 39 of the Act.

(2) Except as provided in paragraph (1) above, expressions used in these Regulations bear the meaning which they bear in Chapter IV of Part I of the Act.

Air Passenger Duty Account

4. (1) Every operator shall keep and preserve a record to be known as an Air Passenger Duty Account.

(2) Except in the case of operators to whom regulation 5 applies, an Air Passenger Duty Account shall contain the particulars set out in Schedule 1.

Schemes

5. (1) This regulation shall apply to an operator ("relevant operator") for so long as a scheme has effect in relation to him.

(2) An Air Passenger Duty Account kept by a relevant operator shall contain the particulars set out in Part I of Schedule 2.

(3) Every relevant operator shall keep and preserve the items described in Part II of Schedule 2.

Other records

6. Every operator shall keep and preserve such other records as the Treasury may specify in a notice published by them and not withdrawn by a further notice.

Time for making records

7. Where an operator is required by or under these Regulations to keep any record, he shall do so at the time -

(a) of the happening of the event recorded; or

(b) as the case may be, when the information recorded is first known to him,

or as soon as possible thereafter.

Content and preservation of records

8. (1) Where an operator is required by or under these Regulations to keep any record he shall include in it sufficient information (by way of cross referencing or otherwise) to enable the Treasury to ascertain readily that every return he makes is true and accurate.

(2) Except as otherwise provided by a scheme, where an operator is required by or under these Regulations to preserve any record, he shall preserve that record -

(a) for six years; or

(b) for such lesser period as the Treasury may specify for any case or cases in a notice published by them and not withdrawn by a further notice.

Interpretation of regulations 9 to 16

9. In this regulation and in regulations 10 to 16 below -

"claim" means a claim made (irrespective of when it was made) under section 144A of the Customs and Excise Management Act 1986 for repayment of an amount paid to the Treasury by way of excise duty which was not due to it; and "claimed" and "claimant" shall be construed accordingly;

"reimbursement arrangements" means any arrangements (whether made before, on or after 30th January 1998) for the purposes of a claim which -

- (a) are made by a claimant for the purpose of securing that he is not unjustly enriched by the repayment of any amount in pursuance of the claim; and
- (b) provide for the reimbursement of persons (consumers) who have, for practical purposes, borne the whole or any part of the cost of the original payment of that amount to the Treasury;

“relevant claim” means that part (which may be the whole) of the amount of a claim which the claimant has reimbursed or intends to reimburse to consumers.

Reimbursement arrangements - general

10. Without prejudice to regulation 16 below, for the purposes of section 144A(3) of the Customs and Excise Management Act 1986 (defence by the Treasury that repayment by it of an amount claimed would unjustly enrich the claimant) reimbursement arrangements made by a claimant shall be disregarded except where they -

- (a) include the provisions described in regulation 11 below; and
- (b) are supported by the undertakings described in regulation 15 below.

Reimbursement arrangements - provisions to be included

11. The provisions referred to in regulation 10(a) above are that -

- (a) reimbursement for which the arrangements provide will be completed by no later than 90 days after the repayment to which it relates;
- (b) no deduction will be made from the relevant amount by way of fee or charge (howsoever expressed or effected);
- (c) reimbursement will be made only in cash or by cheque;
- (d) any part of the relevant amount that is not reimbursed by the time mentioned in paragraph (a) above will be repaid by the claimant to the Treasury;
- (e) any interest paid by the Treasury on any relevant amount repaid by it will also be treated by the claimant in the same way as the relevant amount falls to be treated under paragraphs (a) and (b) above;
- (f) the records described in regulation 13 below will be kept by the claimant and produced by him to the Treasury, or to an officer of theirs in accordance with regulation 14 below.

Repayments to the Treasury

12. The claimant shall, without prior demand, make any repayment to the Treasury that he is required to make by virtue of regulation 11(d) and (e) above within 14 days of the expiration of the period of 90 days referred to in regulation 11(a) above.

Records

13. The claimant shall keep records of the following matters -

- (a) the names and addresses of those consumers whom he has reimbursed or whom he intends to reimburse;

- (b) the total amount reimbursed to each such consumer;
- (c) the amount of interest included in each total amount reimbursed to each consumer;
- (d) the date that each reimbursement is made.

Production of records

14. (1) Where a claimant is given notice in accordance with paragraph (2) below, he shall, in accordance with such notice produce to the Treasury, or to an officer, the records that he is required to keep pursuant to regulation 13 above.

(2) The undertakings shall be in writing, shall be signed and dated by the claimant, and shall be to the effect that -

- (a) at the date of the undertakings he is able to identify the names and addresses of those consumers whom he has reimbursed or whom he intends to reimburse;
- (b) he will apply the whole of the relevant amount repaid to him, without any deduction by way of fee or charge or otherwise, to the reimbursement in cash or by cheque, of such consumers by no later than 90 days after his receipt of that amount (except insofar as he has already so reimbursed them);
- (c) he will apply any interest paid to him on the relevant amount repaid to him wholly to the reimbursement of such consumers by no later than 90 days after his receipt of that interest;
- (d) he will repay to the Treasury without demand the whole or such part of the relevant amount repaid to him or of any interest paid to him as he fails to apply in accordance with the undertakings mentioned in sub-paragraphs (b) and (c) above;
- (e) he will keep the records described in regulation 13 above; and
- (f) he will comply with any notice given to him in accordance with regulation 14 above concerning the production of such records.

Reimbursement arrangements made before 11th February 1998

16. Reimbursement arrangements made by a claimant before 11th February 1998 shall not be disregarded for the purposes of section 144A(3) of the Customs and Excise Management Act 1986 if, not later than 11th March 1998 -

- (a) he includes in those arrangements (if they are not already included) the provisions described in regulation 11 above; and
- (b) gives the undertakings described in regulation 15 above.

M. J. Eland
New King's Beam House, 22 Upper Ground, London, SE1 9PJ
Commissioner of Customs and Excise

1st July 1994

SCHEDULE 1

PARTICULARS OF AN AIR PASSENGER DUTY ACCOUNT

For each accounting period -

- (a) the amount, before adjustment, of any duty payable;
- (b) the amount of any adjustment;
- (c) the amount, after adjustment, of any duty payable;
- (d) the amount, date and method of payment of any duty paid;
- (e) the number of passengers carried –
 - (i) chargeable at the rates set out in section 30(2)(a) and (b) of the Act;
 - (ii) ...omitted,
 - (iii) ..omitted,
 - (iv) chargeable at the rates set out in section 30(4A)(a) and (b) of the Act;
- (f) the number of passengers who were not chargeable passengers by virtue of each of subsections (3), (4) and (5) of section 31 of the said Act;
- (g) the number of persons carried who, but for the exceptions provided for by the definition of "passenger" in section 43(1) of the Act, would be chargeable passengers;
- (h) ...omitted.

SCHEDULE 2

RELEVANT OPERATORS

PART I

PARTICULARS OF AN AIR PASSENGER DUTY ACCOUNT KEPT BY RELEVANT OPERATORS

1. For each accounting period –

- (a) the amount, before adjustment, of any duty payable;
- (b) the amount, of any adjustment;
- (c) the amount, after adjustment, of any duty payable;
- (d) the amount, the calculations used in ascertaining this amount, date and method of payment of any duty paid;
- (e) the number of passengers who were not chargeable passengers by virtue of each of subsections (4) and (5) of section 31 of the Act;
- (f) the number of persons carried who, but for the exceptions provided for by the definition of "passenger" in section 43(1) of the Act, would be chargeable passengers;

-
- (g) such other particulars as the Treasury may specify in a notice published by them and not withdrawn by a further notice.

PART II

OTHER ITEMS TO BE KEPT BY RELEVANT OPERATORS

2. (1) A copy of the scheme prepared for him by the Treasury.
- (2) A copy of the surveys of passengers by reference to which the calculations provided for by the scheme will be made.
- (3) Such other documents as appear to the Treasury to be relevant to the calculations provided for by the scheme and which are specified in a notice published by them and not withdrawn by a further notice.

1994 No. 1738

CUSTOMS AND EXCISE

The Air Passenger Duty Regulations 1994

<i>Made</i>	<i>1st July 1994</i>
<i>Laid before Parliament</i>	<i>1st July 1994</i>
<i>Coming into force</i>	<i>1st August 1994</i>

ARRANGEMENT OF REGULATIONS

Part I
Preliminary

1. Citation and commencement
2. Interpretation

Part II
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3. Time for giving notice of liability to register
4. Registration of operators
5. Removal from the register

Part III
Fiscal Representatives

6. Appointment
7. Ceasing to act as a fiscal representative
8. Inclusion of particulars in register of operators

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9. Returns
10. Payment

Part V
Flights and Passengers

11. Particulars of flights
12. Passengers

13. Outward journey of a United Kingdom return passenger

Schedules

1. Information to be included in the register
2. Information to be included in a notice of appointment as a fiscal representative
3. Form of return

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by sections 31(3) and (6), 32(2) and (3), 33(4), (7) and (8), 34(5), 35(1) and (2), 38(1) and (2), 42 and 43(1) of the Finance Act 1994 and of all other powers enabling them in that behalf, hereby make the following Regulations:

Part I Preliminary

Citation and commencement

1. These Regulations may be cited as the Air Passenger Duty Regulations 1994.

Interpretation

2. (1) In these Regulations -

“accounting period” means either –

- (a) a period ending on the last day of each month; or
- (b) such other period as, in any particular case, the Treasury allow;

“the Act” means the Finance Act 1994;

“business day” means a day which is a business day within the meaning of section 92 of the Bills of Exchange Act 1883;

“operator” means the operator of an aircraft;

“the register” means the register of operators which the Treasury are required to keep by virtue of section 33(1) of the Act.

- (2) Any notice given to the Treasury pursuant to these Regulations must be given at the place at which notice pursuant to section 33(4) of the Act must be given.

Part II Registration

Time for giving notice of liability to register

3. Where an operator is required to give notice under section 33(4) of the Act, he shall do so no later than the seventh day following that on which he became liable to be registered.

Registration of operators

4. (1) The register shall contain the information set out in Schedule 1.

(2) Where an operator is included in the register, that entry shall be effective from the first day of the month in which he became liable to be registered.

(3) Where –

(a) an operator has not given notice of his liability to be registered, but

(b) it appears to the Treasury that he is liable to be registered,

they shall include him in the register.

(4) Where an operator is included in the register the Treasury shall furnish him with a certificate of registration.

(5) A certificate of registration shall contain the information included in the entry in the register relating to the operator to whom it is furnished (“relevant information”).

(6) A registered operator shall give notice of any change in any relevant information within thirty days of the change by returning his certificate of registration to the Treasury with the change recorded on it.

(7) Where, in accordance with paragraph (6) above, a certificate of registration is returned to them, the Treasury shall –

(a) correct the register, and

(b) furnish the registered operator with a new certificate of registration.

Removal from the register

5. (1) Subject to paragraph (2) below, where –

(a) a registered operative gives the Treasury notice in writing that he has ceased to operate chargeable aircraft; or

(b) a registered operator –

(i) has not within the preceding six months operated chargeable aircraft, and

(ii) it appears to the Treasury that he will not within the next twelve months operate chargeable aircraft,

he shall be removed from the register.

(2) A registered operator shall not be removed from the register if he owes any duty to the Treasury.

Part III Fiscal Representatives

Appointment

6. (1) An operator who is required to have a fiscal representative shall appoint such a representative –

- (a) within seven days of the day on which he is required by section 34(1) of the Act to have a fiscal representative; or
- (b) where –
 - (i) a fiscal representative (“his representative”) ceases to act for him, and
 - (ii) he continues to be required by section 34(1) of the Act to have a fiscal representative,

within seven days of the day on which his representative ceased to act for him.

(2) A fiscal representative shall give to the Treasury written notice of his appointment, within seven days of his being appointed.

(3) A notice given in accordance with paragraph (2) above shall contain the information set out in Schedule 2.

Ceasing to act as a fiscal representative

7. (1) Where a person ceases to act as a fiscal representative for an operator he shall, within seven days, give written notice of that fact to the Treasury.

(2) A person shall be treated as having ceased to act as a fiscal representative if –

- (a) he gives notice in accordance with paragraph (1) above;
- (b) his principal gives the Treasury notice that his appointment is terminated;
- (c) he is imprisoned in pursuance of the order of any court whether in the Island or elsewhere;
- (d) he becomes bankrupt or insolvent whether in the Island or elsewhere; or
- (e) he ceases to meet the requirements of section 34(3) of the Act.

Inclusion of particulars in register of operators

8. Where the Treasury receive notice that a person has been appointed as the fiscal representative of an operative they shall include his name in the entry in the register relating to that operator.

Part IV Returns and Payment

Returns

9. (1) Subject to paragraph (2) below, every operator who is liable to be registered and every registered operator shall, not later than the twenty-second day following the end of each accounting period, furnish to the Treasury a return on a form specified in a notice published by them (and not withdrawn).

(2) Where the last day for furnishing a return would (if determined in accordance with paragraph (1) above) fall on a day which is not a business day the return shall be furnished not later than the last business day before that day.

(3) Returns shall be furnished to the Treasury at such place as, in accordance with section 38(1)(b) of the Act, they have specified.

Payment

10. (1) Subject to paragraph (2) below, every operator shall pay the duty which becomes due from him in any accounting period –

- (a) in the case of a registered operator who has made arrangements with the Treasury for duty to be paid by means of direct debit or credit transfer, not later than the twenty-ninth day following the end of that accounting period; or
- (b) in any other case, not later than the twenty-second day following the end of that accounting period.

(2) Where the last day for making payment would (if determined in accordance with paragraph (1) above) fall on a day which is not a business day the payment shall be made not later than the last business day before that day.

(3) Where payment is not made by means of direct debit or credit transfer, it shall be made to the Treasury at such place as, in accordance with section 38(1)(b) of the Act, they have specified.

Part V Flights and Passengers

Particulars of flights

11. (1) For the purposes of section 31(3) of the Act the following particulars of a second or subsequent flight are prescribed –

- (a) the airport from which the passenger intends to depart;
- (b) the date and time of his intended departure; and
- (c) the airport at which he intends to arrive.

(2) For the purposes of section 32(2)(b) and (3)(b) of the Act the following particulars of a flight are prescribed –

- (a) the airport from which the passenger intends to depart;
- (b) the date and time of his intended departure; and
- (c) the airport at which he intends to arrive.

Passengers

12. (1) For the purposes of paragraph (a)(iii) of the definition of “passenger” in section 43(1) of the Act the following requirements are prescribed –

- (a) the employee is –
 - (i) engaged in relevant duties, or
 - (ii) performing on board services,at the time he is carried.

- (b) the employee will within the seventy-two hours next following the end of his flight –
 - (i) act as a member of a flight crew,
 - (ii) act as a cabin attendant,
 - (iii) be engaged in relevant duties, or
 - (iv) perform on board services,on, or in respect of, any aircraft; or
 - (c) the employee is returning to his base and has within the seventy-two hours immediately preceding the beginning of his flight –
 - (i) acted as a member of a flight crew,
 - (ii) acted as a cabin attendant,
 - (iii) been engaged in relevant duties, or
 - (iv) performed on board services,on, or in respect of, any aircraft.
- (2) In this regulation –
- “base” means the place from which the employee ordinarily operates or at which he is ordinarily stationed;
- “on board services” means escorting passengers or goods;
- “relevant duties” means –
- (a) repair, maintenance, safety or security work; or
 - (b) ensuring the hygienic preparation and handling of food and drink.

Outward journey of a United Kingdom return passenger

13. (1) Subject to paragraph (2) below, section 31(1) of the Act shall have effect as if the reference in paragraph (a) thereof to a person who is a chargeable passenger in relation to a flight on his outward journey included a person whose outward journey began at an airport in the United Kingdom.

- (2) Paragraph (1) above only applies in the case of a person –
- (a) whose outward journey in question begins at an airport in the United Kingdom; and
 - (b) who, by virtue of an Act of Parliament charging a duty equivalent to air passenger duty, is the equivalent of a chargeable passenger in relation to that outward journey.

New King's Beam House
22 Upper Ground
London SE1 9PJ

1st July 1994

Schedule 1

(Regulation 4)

Information to be included in the Register

- (a) a unique reference number assigned to the operator by the Treasury;
 - (b) the name and (if different) the trading name of the operator;
 - (c) the address of the operator's principal, or only place of business (including any postcode) –
 - (i) in the Island, or
 - (ii) if he does not have any place of business in the Island, elsewhere;
 - (d) if he has one, the operator's telephone number and (if different) his telephone number for facsimile transmissions;
 - (e) the date on which the Treasury received any notice given pursuant to section 33(4) of the Act and the time from which the operator's entry in the register was effective;
 - (f) if required by regulation 8, the name and (if different) the trading name of any fiscal representative appointed to act for the operator in accordance with section 34 of the Act.
-

Schedule 2

(Regulation 6)

**Information to be included in a Notice of Appointment
as a Fiscal Representative**

- (a) the name and (if different) the trading name of the fiscal representative;
- (b) the address of the fiscal representative's principal, or only place of business in the Island (including his postcode);
- (c) if he has one, the fiscal representative's telephone number and (if different) his telephone number for facsimile transmissions;
- (d) the name and (if different) the trading name of the operator for whom he is acting ("his principal");
- (e) the date on which he was appointed to act for his principal.

Schedule 3

...Omitted.

1994 No. 1821

CUSTOMS AND EXCISE

The Air Passenger Duty (Connected Flights) Order 1994

<i>Made</i>	<i>8th July 1994</i>
<i>Laid before Parliament</i>	<i>11th July 1994</i>
<i>Coming into force</i>	<i>1st November 1994</i>

The Treasury, in exercise of the powers conferred upon them by sections 30 and 42 of the Finance Act 1994 and all other powers enabling them in that behalf, hereby make the following Order:

Citation and commencement

1. This Order may be cited as the Air Passenger Duty (Connected Flights) Order 1994.

Interpretation

2. The provisions of the Schedule to this Order, including the Notes next mentioned, shall be interpreted and applied in accordance with the notes contained therein.

Rules for determining whether successive flights are connected

3. The provisions of the Schedule to this Order shall be used, in respect of the transfer of a passenger as described therein, for determining whether successive flights are treated as connected for the purpose of section 30(6), or section 31(3), of the Finance Act 1994.

Tim Wood
Timothy Kirkhope
Two of the Lords Commissioners
of Her Majesty's Treasury

8th July 1994

SCHEDULE

(Article 3)

Rules for determining whether successive flights in question are connected flights for the purposes of Air Passenger Duty

Case A Rule, governing a transfer to a domestic flight

1. The following rule (the "Case A Rule") applies in the case of a passenger who transfers to an aircraft on which he is carried domestically.

Case A Rule

The passenger's previous flight ("Flight A"), and the next flight after it on his journey ("Flight B") on which he is carried domestically, are connected if the booked time of departure of Flight B is by or at the time or within the period in column 3 of the following Table specified opposite to the period of time (specified in column 2 of that Table) into which the scheduled time of arrival of Flight A falls on the scheduled day of arrival.

Table		
Col. 1 Category Number	Col. 2 Scheduled time of arrival of Flight A falls in the period:-	Col. 3 Qualifying booked departure time for Flight B
1	after midnight to 0400 hours	by or at 1000 hours on the scheduled day of arrival of Flight A
2	after 0400 to 1700 hours	within the period of 6 hours of the scheduled time of arrival of Flight A
3	after 1700 to midnight	by or at 1000 hours on the day following the scheduled day of arrival of Flight A

Notes for interpretation for the Case A Rule and for these Notes

(1) "Booked", in relation to a time or an airport, means the time or the airport that is specified expressly and correctly on the passenger's ticket at the time it is issued or last amended, by reference to the journey to be undertaken by the passenger constituted wholly or partly by Flight A and Flight B.

(2) If the ticket does not specify correctly and expressly the time or the airport in question, having regard to the journey undertaken by the passenger which is constituted wholly or partly by Flight A and Flight B (so that the flights in question are not connected), then those flights shall nevertheless be connected where the aircraft operator who would be liable, but for this Note, for the air passenger duty in question satisfies the Treasury that, had the ticket in question been correctly and expressly specified within the time or the airport in question, the two Flights A and B in question would have been connected by virtue of this Rule.

(3) A passenger is carried domestically where the booked airport for the beginning and ending of his flight is in the Island or the United Kingdom.

(4) "Scheduled" means:-

- (a) in relation to a time, the time indicated in the operator's timetable for the flight in question at the time the passenger's ticket is issued or last amended; and
- (b) in relation to "the day of arrival", the day of arrival indicated in the operator's timetable for the flight in question at the time the passenger's ticket is issued or last amended.

(5) Notwithstanding the effect of this Rule that, but for this Note, would result, Flight A and Flight B are not connected:-

- (a) where the booked airport of departure of Flight A is the same airport as the booked airport of arrival of Flight B; or
 - (b) where the ticket for Flight A and the ticket for Flight B are not conjunction tickets.
- (6) For the purposes of paragraph (b) of Note (5) the two tickets in question are only conjunction tickets at the time of issue or when last amended:-
- (a) if those tickets are contained in one booklet of tickets; or
 - (b) in the case of each of those tickets being contained in a separate booklet of tickets, if:-
 - (i) each of those booklets is referred to the other by virtue of a statement on each to the effect that each is to be read in conjunction with the other; or
 - (ii) each booklet or each ticket in question has as a part of it a summary of the flights of the passenger constituting his journey, which includes the flights in question.
- (7) "Ticket", for the purposes of this Rule, means the ticket in the form of a coupon, or the coupon (as it is sometimes called in the airline industry), issued for the passenger in relation to his intended flight specifying the time of and the airport of departure for that flight.

Case B Rule, governing a transfer to an international flight

2. The following rule (the "Case B Rule") applies in the case of a passenger who transfers to an aircraft on which he is carried internationally.

Case B Rule

The passenger's previous flight ("Flight A"), and the next flight after it on his journey ("Flight B") on which he is carried internationally, are connected if the booked time of departure of Flight B falls within the period of 24 hours starting at the scheduled time of arrival of Flight A.

Notes on interpretation for the Case B Rule and these Notes

- (1) The Notes of Interpretation for the Case A Rule and its Notes (set out above) numbered (1), (2), (4) limited to its sub-paragraph (a), (5) limited to its sub-paragraph (b), (6) and (7) shall be used for the interpretation and application of this Rule and its Notes.
- (2) A passenger is carried internationally where his flight begins at an airport in one country and ends at an airport in another country; and for the purposes of this Note the United Kingdom, subject to the provisions of Note (4), is a country.
- (3) Notwithstanding the effect of this Rule that, but for this Note, would result, Flight A and Flight B are not connected where the airport at which the passenger first boards the aircraft for Flight A is in the same country as that at which the passenger finally disembarks from the aircraft for Flight B.
- (4) ...Omitted.

FINANCE ACT 2012 (c.14)

SCHEDULE 24

Section 190

MACHINE GAMES DUTY

Part 1

Imposition of Duty

The duty

1 A duty of excise, to be known as machine games duty, is to be charged on the playing of dutiable machine games in the Island.

Dutiable machine games

2 (1) A “machine game” is a game (whether of skill or chance or both) played on a machine for a prize.

(2) A machine game is “dutiable” if—

- (a) the prize or at least one of the prizes that can be won from playing the game on the machine is or includes cash, and
- (b) the maximum amount of cash that a player can win from playing the game on the machine exceeds the lowest charge payable for playing the game on the machine.

(3) “Cash” means money or anything that may reasonably be considered to equate to money, including—

- (a) anything that can be used in the same way as if it were money, and
- (b) anything that allows a person to obtain money on demand or otherwise represents a promise to pay a person money on demand.

(4) The things mentioned in sub-paragraph (3) include—

- (a) anything of an intangible nature (such as points), and
- (b) anything that a person has as a result of the taking of any step by someone else (such as the crediting of an account).

(5) If an adult would reasonably assume that a machine game satisfies the tests in sub-paragraph (2)(a) and (b) (taking into account the way in which the game is presented and all the other circumstances of the case), the game is taken to be a dutiable machine game, whether or not it does in fact satisfy those tests.

(6) In identifying for the purposes of this paragraph the lowest charge payable for playing a game, any offer that waives or permits a player to pay less than the charge that the player would be required to pay without the offer is disregarded.

(7) Paragraph 3 makes further provision about what counts as a dutiable machine game for the purposes of this Schedule.

- 3 (1) A game that would otherwise be a dutiable machine game does not count as one if—
- (a) it involves betting on future real events,
 - (b) ... omitted
 - (c) lottery duty is charged under section 24 of the Finance Act 1993 (of Parliament), as it has effect in the Island, on the taking of a ticket or chance in it, or
 - (d) is a real game of chance that is non-virtual and which is played on premises licensed under section 3 of the Casino Act 1986.
- (2) ... Omitted
- (3) A game consisting of several stages counts as a dutiable machine game if—
- (a) at least one stage would (if played on its own) be a dutiable machine game, or
 - (b) the stages (taken together) amount to a dutiable machine game.
- (4) If more than one game can be played on a given machine, each game is to be considered separately in deciding whether it is a dutiable machine game.
- 4 The Treasury may by order specify criteria to be taken into account in deciding—
- (a) whether a particular game (or class of game) falls within the definitions in paragraph 2 (1) and (2), and
 - (b) what counts as a single go at playing a particular game (or class of game).

Types of machine

- 5 ... Omitted

How the duty is charged

- 6 (1) Machine games duty is charged on a taxable person's total net takings in an accounting period for each type of machine.
- (2) The amount of duty is found by applying the standard rate as a percentage of the person's total net takings in the accounting period.
- (3) ... Omitted
- (4) The person's "total net takings" in the accounting period are the sum of the person's net takings in the period for all the relevant machines.
- (5) The person's "net takings" in the period for each relevant machine are determined in accordance with paragraphs 7 and 8.
- (6) ... Omitted
- (7) For the meaning of "relevant machine" in relation to a taxable person and an accounting period, see paragraph 50.

Net takings per machine

- 7 (1) A taxable person's net takings in an accounting period for a relevant machine are—
- (a) the takings, less
 - (b) the payouts.
- (2) The takings are the charges that become due at any material time from players for playing dutiable machine games on that machine (irrespective of when the games are played or the prizes are paid out).
- (3) The payouts are the prizes (whether cash or non-cash) that are paid out at any material time to players as a result of playing dutiable machine games on that machine (irrespective of when the games are played or the charges become due).
- (4) Sub-paragraph (3) does not include prizes paid out to—
- (a) a person who is a registrable person in respect of the premises where the machine is located,
 - (b) a representative or employee of such a person at those premises, or
 - (c) a person acting for or at the direction of a person within paragraph (a).
- (5) Sub-paragraph (3) does not include prizes paid out unlawfully (for example, a prize paid out to a child or young person in breach of a condition attached to a certificate issued pursuant to section 3 of the Gaming (Amendment) Act 1984).
- (6) If it is not reasonably practicable to attribute charges and prizes to dutiable machine games or to apportion them between dutiable machine games and other games or other activities, any attribution or apportionment is to be done on a just and reasonable basis.
- (7) "Material time" means any time in the accounting period when the person is liable for machine games duty in respect of the machine.
- (8) The Treasury may by regulations make provision about the point in time at which a charge is taken to become due, or a prize is taken to be paid out, for the purposes of this paragraph.
- (9) If a machine game is played in pursuance of an offer that permits the player to pay nothing or less than the charge that the player would be required to pay without the offer, the charge (if any) is treated as becoming due when the player plays the game.
- (10) A prize that is paid out using a system involving redemption tickets, points or anything similar is taken to be paid out when the prize is redeemed (rather than when the means of redemption is issued or communicated to the winner).
- (11) Sub-paragraphs (9) and (10) do not limit the power in sub-paragraph (8).
- 8 (1) In calculating the takings and the payouts under paragraph 7, the following amounts are to be left out of account—
- (a) amounts arising from playing dutiable machine games on a domestic occasion, and
 - (b) amounts arising in any other circumstances specified by the Treasury by order.

-
- (2) The power in sub-paragraph (1)(b)—
- (a) may be exercised generally or in relation to particular cases or kinds of case, and
 - (b) may include provision requiring specified conditions to be met before amounts are left out of account.

The rates

- 9 (1) The standard rate is 15%.
- (2) ... Omitted

Negative amounts of duty

- 10 ... Omitted

Who is liable

- 11 (1) A person is liable for machine games duty in respect of a machine at any time if at the time—
- (a) the person is responsible for the premises where the machine is located (see paragraph 12),
 - (b) the machine is available there for use by others for playing dutiable machine games on it, and
 - (c) the machine is not an excluded dual-use machine (see paragraph 13).

(2) If, at any time, there is more than one person who satisfies sub-paragraph (1)(a) to (c) in respect of a machine, each of them is jointly and severally liable for the duty.

(3) A person who is liable for machine games duty in accordance with this paragraph is referred to as a “taxable person”.

Responsible for premises

12 (1) This paragraph sets out who is “responsible” for premises for the purposes of paragraph 11.

(2) If a person is registered in respect of premises, that person is responsible for the premises.

(3) A person is “registered” at any time in respect of premises if at the time there is an entry in force for that person in the MGD register in respect of those premises.

(4) If no-one is registered in respect of premises, any person who is a registrable person in respect of the premises or a representative of such a person is responsible for the premises.

(5) Paragraphs 20 to 24 make further provision about registration and registrable persons.

Excluded dual-use machines

13 (1) A machine is an “excluded dual-use machine” if—

- (a) it is capable of being used both for playing machine games and for some other purpose that is not related to playing machine games, and
 - (b) condition A or B is met.
- (2) Condition A is that the machine is not designed, adapted or presented in such a way as to—
 - (a) facilitate its use for playing dutiable machine games, or
 - (b) draw attention to the possibility of its use for playing such games.
- (3) Condition B is that the machine is so designed, adapted or presented but the person mentioned in paragraph 11(1) does not know, and could not reasonably be expected to know, that it is.
- (4) References to a machine being “adapted” include a machine to which anything has been done, including the installation of computer software on it.
- (5) The Treasury may by order specify criteria to be taken into account in deciding whether a machine falls within the definition in sub-paragraph (1).
- (6) The Treasury may by order amend this paragraph.

Accounting periods

- 14
- (1) An accounting period for machine games duty is a period of 3 consecutive months.
 - (2) The first day of an accounting period is such day as the Treasury may direct.
 - (3) A direction under sub-paragraph (2) may apply generally or only to a particular case or class of case.
 - (4) The Treasury may agree with a registered person to make either or both of the following changes for the purposes of that person’s liability to machine games duty—
 - (a) to treat specified periods (whether longer or shorter than 3 months) as accounting periods,
 - (b) to begin accounting periods on days other than those applying by virtue of sub-paragraph (2).
 - (5) The Treasury may by direction make transitional arrangements for periods (whether of 3 months or otherwise) to be treated as accounting periods where—
 - (a) a person becomes or ceases to be registered, or
 - (b) an agreement under sub-paragraph (4) begins or ends.
 - (6) If there is reason to believe that a person who is liable for machine games duty may not discharge that liability as it falls due from time to time—
 - (a) the Treasury may by direction specify shorter periods to be treated as accounting periods for the purposes of that person’s liability to machine games duty,
 - (b) any such direction continues to have effect until it is withdrawn by the Treasury (unless otherwise specified in the direction), and

- (c) withdrawal of a direction does not prevent the giving of further directions in respect of the same person.

Valuing prizes

15 (1) This paragraph applies in valuing prizes for the purposes of this Schedule (including in determining the maximum amount of cash that can be won from playing a machine game).

(2) The value of a prize includes any portion that—

- (a) represents a refund of the charge payable for playing the game, or
- (b) is calculated by reference to the amount of any such charge.

(3) The value of a prize in the form of something that is reasonably considered to equate to money is equal to the amount of money to which the thing is reasonably considered to equate.

(4) For a prize in the form of a currency other than sterling or in the form of something that is reasonably considered to equate to such a currency—

- (a) the value of the prize is, in relation to any day, the sterling equivalent of that currency determined by reference to the London closing rate for that currency for the previous day, and
- (b) for the purposes of paragraph 7(3), the day in relation to which the value is assessed is the last day of the relevant accounting period.

(5) The value of a prize other than cash depends on the person (“A”) from whom the person paying out the prize (“B”) obtained it—

- (a) if A was not connected with B when B obtained the prize from A, the value is the cost to B of obtaining the prize from A,
- (b) if A was connected with B when B obtained the prize from A, the value is the smaller of—
 - (i) the cost to B of obtaining the prize from A, and
 - (ii) the amount that it would have cost B, at the time B obtained the prize, to obtain it from a person not connected with B.

(6) Whether A is connected with B is to be determined in accordance with section 119C of the Income Tax Act 1970.

(7) If the value of a prize other than cash cannot reasonably be determined in accordance with sub-paragraph (5), the value of the prize is such amount as is just and reasonable.

(8) For the purposes of sub-paragraph (5), an amount paid by way of value added tax on the acquisition of a thing is to be treated as part of its cost (whether or not the amount is taken into account for the purpose of a credit or refund).

(9) The Treasury may by regulations make further provision about the way in which prizes are to be valued for the purposes of this Schedule.

(10) This paragraph applies to a part of a prize as it applies to a whole prize, and references to a prize are to be read accordingly.

Valuing charges

16 (1) This paragraph applies in determining for the purposes of this Schedule the amount of a charge (or the highest or lowest charge) payable or due for playing a machine game.

(2) If the amount of a charge in money's worth cannot be determined, it is assumed to be such amount as is just and reasonable.

(3) If a composite charge is payable or due for the opportunity to play a machine game more than once, the amount of the charge payable or due for each individual go is to be determined on a just and reasonable basis.

(4) If a composite charge is payable or due for the opportunity to play a machine game and for something else, the amount of the charge payable or due for playing the game is to be determined on a just and reasonable basis.

(5) The Treasury may by regulations make further provision about the way in which the amount of charges is to be determined for the purposes of this Schedule.

(6) Sub-paragraph (7) applies if—

- (a) a dutiable machine game is played in pursuance of an offer that permits the player to pay nothing or less than the charge that the player would have been required to pay without the offer,
- (b) the offer was made available to the player by way of winnings from an activity in respect of which another duty of excise or value added tax is charged, and
- (c) the value of the offer is deductible in calculating the amount of that other duty or value added tax payable in respect of that activity.

(7) The amount of the charge due from the player for playing the dutiable machine game is taken for the purposes of paragraph 7 to be the amount that the player would have been required to pay without the offer.

(8) Regulations under sub-paragraph (5) may include provision extending or modifying the circumstances in which sub-paragraph (7) applies.

Collection and management

17 The Treasury are responsible for the collection and management of machine games duty.

Returns

18 (1) The Treasury may make regulations requiring registrable persons to make returns to the Treasury in respect of relevant machines.

(2) Regulations under this paragraph may in particular make provision about—

- (a) liability to make a return,
- (b) timing,
- (c) form,
- (d) content,

- (e) method of making (including provision requiring returns to be made electronically),
- (f) declarations,
- (g) authentication, and
- (h) when a return is to be treated as made.

Assessment and payment

- 19 (1) The Treasury may make regulations about payment of machine games duty.
- (2) The regulations may in particular make provision about—
- (a) timing,
 - (b) instalments,
 - (c) methods of payment (including provision requiring payments to be made electronically),
 - (d) when payment is to be treated as made, and
 - (e) the process and effect of assessments by the Treasury of amounts due.
- (3) Subject to regulations under this paragraph, section 12 of Finance Act 1994 (assessment) (as it has effect in the Island) applies in relation to liability to pay machine games duty.

Registration

- 20 (1) The Treasury must maintain a register of those responsible for premises where relevant machines are located.
- (2) The register is to be known as the MGD register.
- (3) A person must not make a relevant machine available for use by others for playing dutiable machine games on it unless a registrable person (whether that person or someone else) is registered in respect of the premises where the machine is located.
- (4) Paragraph 21 identifies who is a registrable person in respect of premises.
- (5) This paragraph does not apply in relation to a relevant machine if it is reasonable to expect that the only takings and the only payouts in respect of the machine would be amounts that would be left out of account by virtue of paragraph 8.

Registrable persons

- 21 (1) If a person holds the relevant licence or certificate that permits the operation of relevant machines in respect of premises, then that person is a registrable person in respect of those premises.
- (2) ...Omitted
- (3) If the premises are a stall at a travelling fair, each of the following is a registrable person in respect of the premises—

-
- (a) the holder of the stall, and
 - (b) the person in charge of the fair.
- (4) For premises not falling within any of the preceding sub-paragraphs, each person listed in sub-paragraph (5) is a registrable person in respect of the premises.
- (5) The persons are—
- (a) a person required to hold a relevant licence or permit in respect of the premises,
 - (b) an owner, lessee or occupier of the premises,
 - (c) a person who is responsible to the owner, lessee or occupier for the management of the premises,
 - (d) a person who is responsible for controlling the use of machines that are made available on the premises for use by others for playing dutiable machine games on them, and
 - (e) a person who is responsible for controlling the admission of persons to the premises or for providing persons resorting to the premises with goods or services.
- (6) “Relevant licence or permit” is defined in paragraph 22.
- (7) ...omitted.
- (8) “Travelling fair” means a fair—
- (a) consisting wholly or principally of the provision of amusements,
 - (b) provided wholly or principally by persons who travel from place to place for the purpose of providing such fairs, and
 - (c) held at a place no part of which has been used for the provision of such a fair on more than 27 days in the same calendar year.

22 A “relevant licence or permit” is –

- (a) a permit pursuant to section 3 of the Gaming (Amendment) Act 1984;
- (b) a licence issued under section 3 of the Casino Act 1986; or
- (c) a licence issued pursuant to section 15 of the Gaming, Betting and Lotteries Act 1988.

Compulsory registration

23 (1) Sub-paragraph (2) applies if—

- (a) it appears to the Treasury that a relevant machine is being made available by anyone at premises for use by others for playing dutiable machine games on it, and
- (b) no-one is registered in respect of the premises.

(2) The Treasury may give a notice under this paragraph to any person *it believes* to be a registrable person in respect of the premises.

(3) The notice is referred to as a "registration notice".

(4) A person to whom a registration notice is given may appeal to an appeal tribunal against the notice.

(5) The appeal may be made on either or both of the following grounds—

- (a) that the person is not a registrable person in respect of the premises,
- (b) that relevant machines are not being made available at the premises for use by others for playing dutiable machine games on them.

(6) The appeal must be made within the period of 30 days beginning with the date of the registration notice.

(7) If—

- (a) no appeal is made within that period, or
- (b) an appeal made within that period is dismissed or withdrawn, the Treasury may proceed to register the person in respect of the premises (unless another person has since become registered in respect of them).

(8) Registration under this paragraph is treated as made with effect from the date of the registration notice.

Procedure for registration, de-registration etc

24 (1) The Treasury may make regulations about registration.

(2) Regulations under this paragraph may in particular make provision about—

- (a) the procedure for applying for registration (including provision requiring applications to be made electronically),
- (b) the timing of applications,
- (c) the information to be provided,
- (d) the giving of registration notices and the making of appeals against them,
- (e) the procedure for compulsory registration under paragraph 23,
- (f) notification of changes to the register,
- (g) de-registration, and
- (h) re-registration after a person ceases to be registered.

(3) The regulations may permit the Treasury to make registration, or continued registration, subject to conditions.

(4) Those conditions may in particular require—

- (a) the provision of security for the payment of machine games duty, and
 - (b) (in the case of a foreign person) the appointment of a Island representative with responsibility for discharging liability to machine games duty.
- (5) In sub-paragraph (4) “foreign person” means a person who—
- (a) in the case of an individual, is not usually resident in the Island,
 - (b) in the case of a body corporate, does not have an established place of business in the Island, and
 - (c) in any other case, does not include an individual who is usually resident in the Island.

(6) The regulations may include provision for the registration of groups of persons; and may provide for the modification of the provisions of this Part of this Schedule in their application to groups.

(7) The modifications may, for example, include a modification ensuring that, where a representative member of a group is registered in place of the members, each member will be jointly and severally liable for the duty payable by the representative member on behalf of the group.

Publication of register

25 (1) The MGD register is to contain such details of those who are entered on the register and of the premises in respect of which they are registered as the Treasury thinks fit.

- (2) The Treasury may publish the register (or a part of it).
- (3) ...omitted.
- (4) ...omitted.
- (5) ...omitted.

Profit-sharers

26 (1) Sub-paragraph (2) applies if—

- (a) it appears to the Treasury that machine games duty may be chargeable in respect of a machine,
- (b) no-one is registered in respect of the premises where the machine is located, and
- (c) either—
 - (i) the Treasury does not know the identity of any of those responsible for the premises (see paragraph 12), or
 - (ii) the Treasury does know the identity of one or more such persons but none of them is in the Island.

(2) The Treasury may give a notice under this paragraph to any person it believes to be beneficially entitled to a share of the machine’s takings.

(3) The notice must inform the person to whom it is given ("P") that P will become liable to pay a share of the duty in accordance with this paragraph unless, within the specified period—

- (a) P provides the Treasury with sufficient information to identify a person in the Island who is responsible for the premises, or
- (b) P satisfies the Treasury that, when P became beneficially entitled to a share of the machine's takings, P took all reasonable steps to ascertain that a registrable person was registered in respect of the premises.

(4) The specified period is—

- (a) such period of 30 days or more as is specified in the notice, or
- (b) such other period as may be agreed between the Treasury and P.

(5) If P fails to satisfy sub-paragraph (3)(a) or (b) within the specified period, the Treasury may assess to the best of their judgement an amount equal to P's share of the machine games duty that would have been due in respect of the machine for an accounting period on the assumptions set out in subparagraph (6).

(6) The assumptions are—

- (a) that P had been liable for machine games duty in respect of the machine in the accounting period in accordance with paragraph 11,
- (b) that the machine had been the only machine in respect of which P was so liable, and
- (c) that the dutiable machine games in respect of which P is beneficially entitled to a share of the takings had been the only dutiable machine games played on the machine.

(7) P's share is a percentage equal to the share of the machine's takings to which P is beneficially entitled.

(8) An assessment under this paragraph may relate to more than one machine, more than one set of premises and more than one accounting period.

(9) But it may not relate to a period that began more than 4 years before the date of the assessment.

(10) An amount assessed under this paragraph is deemed to be an amount of machine games duty assessed under section 12 of the Finance Act 1994 (of Parliament), as it has effect in the Island and due from P in accordance with regulations under paragraph 19 of this Schedule.

(11) P is not entitled to any repayment from the Treasury of an amount assessed under this paragraph if the Treasury subsequently identifies a person responsible for the premises.

(12) But if, after P has paid such an amount, the Treasury make an assessment under section 12 of the Finance Act 1994 (of Parliament), as it has effect in the Island, of an amount of machine games duty due from another person in respect of the same takings from the same machine for the same accounting period, account must be taken in that assessment of the amount paid by P.

Reviews and appeals

27 (1) The decisions mentioned in sub-paragraph (2) are to be treated as if they were listed in subsection (2) of section 13A of the Finance Act 1994 (of Parliament), as it has effect in the Island, (customs and excise reviews and appeals: meaning of "relevant decision") and, accordingly, as if they were relevant decisions for the purposes mentioned in subsection (1) of that section.

(2) The decisions are—

- (a) a decision of the Treasury to refuse a request for an agreement under paragraph 14,
- (b) a decision to give a direction under that paragraph,
- (c) a decision not to give such a direction,
- (d) a decision of the Treasury under regulations by virtue of paragraph 24(2),
- (e) a decision of the Treasury about security by virtue of paragraph 24(4)(a), and
- (f) a decision of the Treasury about the appointment of a Island representative by virtue of paragraph 24(4)(b).

Interest

28 ...Omitted

Penalties and enforcement

29 ...Omitted

30 ...Omitted

31 ...Omitted

32 ...Omitted

33 ...Omitted

34 ...Omitted

35 (1) Contravention of a provision mentioned in sub-paragraph (2) attracts a penalty under section 9 of the Finance Act 1994 (of Parliament), as it has effect in the Island, (penalties) and also attracts daily penalties under that section.

(2) The provisions are—

- (a) any provision of regulations made under paragraph 18,
- (b) any provision of regulations made under paragraph 19,
- (c) paragraph 20(3), and
- (d) any provision of regulations made under paragraph 24.

Forfeiture

- 36 (1) A machine is liable to forfeiture if—
- (a) an officer of customs and excise finds it on any premises,
 - (b) the officer is satisfied that it is being, has been or is about to be made available on the premises for use by others for playing dutiable machine games on it, and
 - (c) condition A or B is met.
- (2) Condition A is that—
- (a) no-one is registered in respect of the premises, and
 - (b) there is a serious risk that any machine games duty chargeable in respect of the machine would not be paid.
- (3) Condition B is that the officer is satisfied that an amount of machine games duty has become due and payable in respect of the machine, but has not been paid.

Offences

- 37 (1) A person commits an offence if the person is knowingly concerned in, or in the taking of steps with a view to, the fraudulent evasion (by that person or any other person) of any machine games duty.
- (2) A person guilty of an offence under this paragraph is liable –
- (a) on conviction on indictment, to custody for a term not exceeding 7 years or a fine, or both;
 - (b) on summary conviction, to custody for a term not exceeding 6 months or a fine not exceeding the maximum amount, or both.
- (3) The maximum amount is the greater of—
- (a) £5,000, and
 - (b) three times the duty or other amount that is unpaid or the payment of which is sought to be avoided.
- (4) ...Omitted
- (5) Section 32 of the Gambling Duty Act 2012 (offences by bodies corporate) has effect for the purposes of any offence under this paragraph as it has effect for the purposes of the offences mentioned in that section.

Protection of officers

38 Section 26 of the Gambling Duty Act 2012 applies in relation to machine games duty as it applies in relation to gambling duty.

Orders and regulations

- 39 (1) This paragraph applies to orders and regulations under this Part of this Schedule.
- (2) Orders and regulations—

- (a) may make provision that applies generally or only for specified purposes,
 - (b) may make different provision for different purposes, and
 - (c) may include transitional provision and savings.
- (3) Regulations may confer a discretion on the Treasury.

(4) Any regulations or order made under this Part of this Schedule shall be laid before Tynwald as soon as may be after being made, and if Tynwald at the sitting before which such regulations or order are so laid resolves that the regulations shall be annulled the regulations or order shall thereupon cease to have effect.

Transitional provision

40 (1) The Treasury may by notice direct that regulations under paragraph 24 (procedure for registration, de-registration etc) are to apply in relation to the period before the go-live date with the modifications specified in the notice.

(2) A notice under sub-paragraph (1) must be published by the Treasury.

(3) For a person who, on the go-live date, is responsible for premises where a relevant machine is located, the first accounting period is to be the period beginning with that day and ending with—

- (a) the day before the day on which the next accounting period is to begin by virtue of a direction given under paragraph 14(2), or
- (b) such other day as is necessary to give effect to an agreement made under paragraph 14(4).

Consequential amendments

41 ...Omitted

42 ...Omitted

43 ...Omitted

44 ...Omitted

45 ...Omitted

46 ...Omitted

47 ...Omitted

48 ...Omitted

49 ...Omitted

Interpretation

50 In this Part of this Schedule—

“appeal tribunal” means the VAT and Duties Tribunal;

“cash” has the meaning given in paragraph 2 (and “non-cash” is to be read accordingly);

“charge”, in relation to a game, means a charge or deduction in money or money’s worth, however it is described or levied and whether it becomes due before or after the game is played;

“dutiable machine game” has the meaning given in paragraph 2, subject to paragraphs 3 and 4;

“game” does not include a sport;

“the go-live date” is defined in paragraph 66(5);

“Island” includes the territorial sea of the Island;

“machine” means any apparatus that uses or applies mechanical power, electrical power or both;

“machine game” has the meaning given in paragraph 2;

“MGD register” has the meaning given in paragraph 20;

“money” means money in sterling or any other currency;

“payouts” means prizes paid out to players as a result of playing dutiable machine games on a machine;

“the payouts”, in relation to a particular taxable person and accounting period, has the meaning given in paragraph 7;

“premises” includes any place, any means of transport and any stall or other moveable structure;

“prize”, in relation to a game—

- (a) means a prize in the form of cash or non-cash (or both), however it is described or paid out and whether it is a prize provided by a person making the game available or is winnings of money staked, but
- (b) a benefit consisting of nothing more than the opportunity to play the game again does not count as a prize;

“registered” has the meaning given in paragraph 12 (and “registration” is to be read accordingly);

“registrable person” has the meaning given in paragraph 21;

“relevant machine” means—

- (a) a machine in respect of which machine games duty is or will be chargeable, or
- (b) in relation to a particular taxable person and accounting period, a machine in respect of which that person is liable for machine games duty in that period;

“representative” means a personal representative, trustee in bankruptcy, receiver or liquidator or any other person acting in a representative capacity;

“specified” includes described;

“takings” means charges due from players for playing dutiable machine games on a machine;

“the takings”, in relation to a particular taxable person and accounting period, has the meaning given in paragraph 7;

“taxable person” has the meaning given in paragraph 11;

“total net takings” has the meaning given in paragraph 6;

“Treasury” means the Department of that name established under section 1 of the Government Departments Act 1987.

- 51 (1) This Part of this Schedule is to be read in accordance with this paragraph.
- (2) A person “plays” a game if the person participates in the game—
- (a) whether or not there are other participants in the game, and
 - (b) whether or not a computer generates images or data taken to represent the actions of other participants in the game.
- (3) A reference to the charge (or the lowest or highest charge) payable for playing a machine game—
- (a) is a reference to the charge (or the lowest or highest charge) payable for a single go at playing the game, and
 - (b) includes any charge that entitles the person paying it to play a machine game or to play it at a reduced rate (even if the charge is ostensibly a charge for something else).
- (4) A reference to “paying” a charge is to be read, in the case of a charge in money’s worth, as a reference to the provision of the thing, or performance of the service, in money’s worth.
- (5) A reference to a prize (or the maximum amount of cash) that can be won from playing a machine game is a reference to a prize (or the maximum amount of cash) that can be won from a single go at playing the game.
- (6) A reference to “paying out” a prize is to be read, in the case of a prize in money’s worth, as a reference to the provision of the thing, or performance of the service, in money’s worth.
- (7) A reference to the premises where a machine is located or made available includes, in the case of a portable machine, the premises where the machine is issued to those wanting to play dutiable machines games on it.

52 The imposition or payment of machine games duty does not make lawful anything that is otherwise unlawful.

Part 2

Removal of Amusement Machine Licence Duty

Part 2 – articles 53 to 62 ... omitted

Part 3

VAT Exemption

Part 3 – articles 63 to 65 ... omitted

Part 4

Miscellaneous

Application

66 (1) ...Omitted

(2) ...Omitted

(3) ...Omitted

(4) ...Omitted

(5) A reference in this Schedule to the “go-live date” is to 1 February 2013.

67 (1) The Treasury may by regulations make transitional or saving provision in connection with the introduction of machine games duty.

(2) The power in sub-paragraph (1) is without prejudice to—

(a) ... omitted;

(b) any power in this Schedule apart from this paragraph to make transitional or saving provision in connection with the matters mentioned in sub-paragraph (1).

(3) ...Omitted

(4) ...Omitted

Published by:
Isle of Man Customs & Excise Division
PO Box 6
Custom House
North Quay
Douglas
Isle of Man
IM99 1AG

Telephone: (01624) 648100

Email: customs@gov.im

Website: www.gov.im/customs

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Government

Reilrys Ellan Vannin