

Treasury
Customs and Excise Division

Notice 1002 MAN

United Kingdom Customs and Excise Legislation Applied in the Isle of Man



January 2016
(updated to 25 January 2016)



Isle of Man
Government

Reilrys Ellan Vannin

PART 1

INTRODUCTION

To enable the Island to comply with the requirements of the Customs and Excise Agreement with the UK, and to meet other commitments and requirements involving customs, excise, VAT and export and trade control matters, the Treasury has at its disposal provisions that allow it to adopt UK legislation, with such exceptions, adaptations and modifications as are considered necessary, and make it part of the Island's own law.

This "applied legislation" is not then UK law, as the direct link with the original material has been severed. If the original UK legislation is amended, or even revoked or repealed, such changes do not affect the applied legislation - it can only be amended or revoked by Tynwald.

The chief source of the power to apply UK legislation in this way is the Customs and Excise Act 1993. However, less-used provisions are also found in the Customs and Excise Management Act 1986 and the other Customs and Excise Acts 1986 (see Part 2 for more details of these Acts).

The Customs and Excise Act 1993 also contains similar provisions dealing with European Union legislation that might be required, but which does not extend to the Island under the terms of Protocol 3 (which governs the Island's relationship with the EU). The scope of these provisions is somewhat narrower and, in any case, they and any EU legislation involved are not dealt with in this Notice.

The contents of this Notice were correct as at the date shown on the front page.

The chief purpose of this Notice is to provide in convenient form the texts of the more important applied legislation. This Notice is not intended as a definitive statement of the law, nor as a substitute for the actual legislation. Anyone who wishes to consult the actual legislation may use the website provided by Tynwald at -

<http://www.tynwald.org.im/links/tls/SD/Pages/default.aspx>

This contains statutory documents, including the application orders used to apply the applied legislation, since 2000. Alternatively, they may request copies of the legislation from the Tynwald Library, or contact the Customs and Excise Division.

This Notice is not designed to be comprehensive, in that it only contains that material which the Customs and Excise Division has found, and/or considers, the most relevant and useful.

Due to the variety of subject matter, and the size of some of the material, the texts are being made available in a number of Annexes. This Notice contains only some detail of the enabling legislation used to apply the various orders, regulations etc, and an index of what legislation is included and in



Isle of Man
Government

Reiltys Ellan Vannin

which Annex it may be found.

Note that the applied legislation reproduced in the Annexes is in abbreviated form and, where relevant, will show only the text as amended to have effect in the Island. That is to say, it will not generally include the application order detailing the amendments made to the UK legislation in its application in the Island, and may only be a part of the relevant order or regulations, an extract and not the full, amended text.

A further, separate Notice will deal with EU legislation which has been applied using customs and excise legislation. Generally speaking, any necessary EU legislation that does not have direct effect in the Island under the terms of Protocol 3 (such as that dealing with EU financial sanctions) is applied using the European Communities (Isle of Man) Act 1973, which is not part of the Island's customs and excise law.

Note:

In the texts contained in the Annexes, reference may be made to former entities (e.g. the Finance Board, whose responsibilities would now be undertaken by the Treasury) or to former legislation which has been repealed or revoked and replaced. Please read the text as if the replacements were present.

PART 2

THE ISLAND LAW USED TO APPLY UK LEGISLATION

Customs and Excise Act 1993

Application to the Island of certain enactments relating to customs and excise etc

1. (1) The Treasury may by order apply to the Island as part of the law of the Island, subject to such exceptions, modifications and adaptations as may be specified in the order, any provision of the instruments to which this section applies.

(2) An order under this section may modify any enactment (other than an enactment in this Act) which is consistent with, or is unnecessary or requires modification in consequence of -

- (a) any instrument applied to the Island by the order;
- (b) the order.

(3) This section applies to the following instruments -

- (a) "the Customs and Excise Acts 1979" as defined in section 1(1) of the Customs and Excise Management Act 1979 (an Act of Parliament);
- (b) any enactment of Parliament replacing or modifying, directly or indirectly, any of the Acts specified in paragraph (a);
- (c) any enactment of Parliament relating to customs or excise;
- (d) any enactment of Parliament prohibiting, restricting, or relating to, the import or export of any thing into or from the United Kingdom;
- (da) any enactment of Parliament prohibiting, restricting, or relating to, the supply of services in the United Kingdom or elsewhere;
- (db) any enactment of Parliament prohibiting, restricting, or relating to the buying or selling of goods in the United Kingdom or elsewhere;
- (e) any enactment of Parliament controlling the means of conveyance of persons and things entering or leaving the United Kingdom;
- (f) any instrument of a legislative character made, or having effect as if made, under any of the enactments mentioned in paragraphs (a) to (e); or
- (g) any Community instrument (within the meaning of section 1(1) of the European Communities (Isle of Man) Act 1973) which has effect in the United Kingdom and concerns -
 - (i) taxes in the nature of excise duties;
 - (ii) value added tax;
 - (iii) statistics relating to the trading of goods between Member States;
 - (iv) the supply of services;
 - (v) the buying and selling of goods; or

- (h) any Act of Parliament or instrument of a legislative character made under an Act of Parliament which, in the United Kingdom, implements or gives effect to a Community instrument of a class mentioned in paragraph (g).

(4) For the avoidance of doubt, in this section "enactment of Parliament" includes an instrument of a legislative character made under an Act of Parliament.

Power of Treasury to make Orders as to Customs and Excise

2. The Treasury may by Order -

- (a) impose, abolish or vary any duty of customs or excise;
- (b) impose or vary any restriction on -
 - (i) the import or removal of goods into the Island;
 - (ii) the export or removal of goods from the Island;
- (c) modify any provision of an enactment concerning any such duty or restriction,

in such manner as may appear to it expedient for the purpose of making such duties and restrictions, and any provision relating thereto, in the Island correspond to those in force in the United Kingdom.

Interpretation

3A. In this Act -

"**buying**", in relation to goods, includes hiring, borrowing, accepting as a gift or otherwise acquiring them (whether in the United Kingdom or elsewhere), and "**selling**" shall be construed accordingly;

"**supply of services**" includes all forms of supply and all forms of services (whether supplied for a consideration or not), and, but without prejudice to the generality of the foregoing, includes -

- (a) the production, delivery, transfer or communication of (by tangible or intangible means) -
 - (i) any information capable of use for any purpose mentioned in sub-paragraph (i) or (ii) of paragraph (b); or
 - (ii) any computer software;
- (b) the provision of technical assistance of any description in connection with -
 - (i) the development, production or use of any goods, information or computer software; or
 - (ii) the development of the means of carrying out, or the carrying out, of any industrial or commercial activity whatsoever;
- (c) anything done in connection with the foregoing.

Customs and Excise Management Act 1986

Public Documents

180. (2) Any regulation or order made under any provision of this Act may, in lieu of or in addition to making separate provision, apply to the Island as part of the law of the Island (with or without modifications, exceptions or adaptations) any regulations or, as the case may be, order made under the corresponding provision of the Customs and Excise Management Act 1979 (an Act of Parliament), or any enactment of Parliament amending or replacing that Act.

Alcoholic Liquor Duties Act 1986

Public Documents

72. (2) Section 180 of the Customs and Excise Management Act 1986 (Tynwald procedure, application of legislation, power to amend and date of commencement) shall have effect in relation to this Act as it has in relation to that Act and for this purpose, the references in that section to "section 190" and "the Customs and Excise Management Act 1979" shall be construed as references to "section 76" and "the Alcoholic Liquor Duties Act 1979" respectively.

Excise Duties (Surcharges or Rebates) Act 1986

Public Documents

2. (2) Section 180 of the Customs and Excise Management Act 1986 (Tynwald procedure, application of legislation, power to amend and date of commencement) shall have effect in relation to this Act as it has in relation to that Act and for this purpose, the references in that section to "section 190" and "the Customs and Excise Management Act 1979" shall be construed as references to "section 5" and "the Excise Duties (Surcharges or Rebates) Act 1979".

Hydrocarbon Oil Duties Act 1986

Public Documents

28. (2) Section 180 of the Management Act (Tynwald procedure, application of legislation, power to amend and date of commencement) shall have effect in relation to this Act as it has in relation to that Act and for this purpose, the references in that section to "section 190" and "the Customs and Excise Management Act 1979" shall be construed as references to "section 32" and "the Hydrocarbon Oil Duties Act 1979" respectively.

Tobacco Products Duty Act 1986

Public Documents

8. Section 180 of the Customs and Excise Management Act 1986 (Tynwald procedure, application of legislation, power to amend and date of commencement) shall have effect in relation to this Act as it has in relation to that Act and for this purpose, the references in that section to "section 190" and to "the Customs and Excise Management Act 1979" shall be construed as references to "section 10" and "the Tobacco Products Duty Act 1979".

Customs and Excise Duties (General Reliefs) Act 1986

Public Documents

14. Section 180 of the Customs and Excise Management Act 1986 (Tynwald procedure, application of legislation, power to amend and date of commencement) shall have effect in relation to this Act as it has effect in relation to that Act and for this purpose, the references in that section to "section 190" and "the Customs and Excise Management Act 1979" shall be construed as references to "section 17" and "the Customs and Excise Duties (General Reliefs) Act 1979".

PART 3

THE ANNEXES CONTAINING THE TEXT OF THE APPLIED LEGISLATION

- Annex A General customs legislation
- Includes that dealing with import and export matters, customs traders records, reports required from ships and aircraft, certain import restrictions.
- Annex B Legislation with general application
- Consisting of extracts from various Finance Acts dealing with such matters as interest rates, repayments of duty etc.
- Annex C Powers, penalties etc
- Legislation dealing with general powers, information powers, penalties, assessments and appeals.
- Annex D Excise duties
- Includes legislation concerned with gas as road-fuel, air passenger duty, lottery duty and machine games duty.
- Annex E Export licensing control
- Annex F VAT
- Legislation concerned with Intrastat and charities.
- Annex G Information Powers, Penalties etc
- Legislation 2008 to 2012 concerned with information-gathering, inspection powers, penalties for specific failures and duties of a senior accounting officer.

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