

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

SCHEDULES

SCHEDULE 2

CLIMATE CHANGE LEVY: REDUCED-RATE SUPPLIES ETC

Reduced-rate supplies

- 2 In paragraph 4(2)(b) (taxable supplies: introduction), after “paragraph 24” insert “or 45A”.

Commencement Information

I1 Sch. 2 para. 2 in force at 1.11.2007 by [S.I. 2007/2902](#), [art. 2\(1\)](#)

- 3 In paragraph 5(3) (supplies of electricity), for “or 24” substitute “, 24 or 45A”.

Commencement Information

I2 Sch. 2 para. 3 in force at 1.11.2007 by [S.I. 2007/2902](#), [art. 2\(1\)](#)

- 4 In paragraph 6(2A) (supplies of gas), after “24” insert “ or 45A ”.

Commencement Information

I3 Sch. 2 para. 4 in force at 1.11.2007 by [S.I. 2007/2902](#), [art. 2\(1\)](#)

- 5 (1) Paragraph 34 (other commodities: deemed supplies) is amended as follows.
(2) In sub-paragraph (1)(b), for “or 24” substitute “, 24 or 45A”.
(3) After sub-paragraph (3) insert—
“(4) A supply that is deemed to be made under paragraph 45A is treated as taking place upon the later determination.”

Commencement Information

I4 Sch. 2 para. 5 in force at 1.11.2007 by [S.I. 2007/2902](#), [art. 2\(1\)](#)

- 6 In paragraph 39(1)(c) (regulations as to time of supply), for “or 24” substitute “, 24 or 45A”.

Commencement Information

I5 Sch. 2 para. 6 in force at 1.11.2007 by [S.I. 2007/2902](#), [art. 2\(1\)](#)

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- 7 For paragraph 44 substitute—
- “44 (1) For the purposes of this Schedule, a taxable supply is a reduced-rate supply if—
- (a) the taxable commodity is supplied to a facility specified in a certificate given by the Secretary of State to the Commissioners as a facility which is to be taken as being covered by a climate change agreement for a period specified in the certificate, and
 - (b) the supply is made at a time falling in that period.
- (2) Sub-paragraph (1) has effect subject to paragraph 45.
- (3) The Commissioners may by regulations make provision for giving effect to sub-paragraph (1).
- (4) Regulations under this paragraph may, in particular, include provision for determining whether any taxable commodity is supplied to a facility.
- (5) The provision that may be made by virtue of sub-paragraph (4) includes, in particular, provision for a taxable commodity of any description specified in the regulations to be taken as supplied to a facility only if the commodity is delivered to the facility.”

Commencement Information

I6 Sch. 2 para. 7 in force at 1.11.2007 by [S.I. 2007/2902](#), [art. 2\(1\)](#) (with [art. 2\(2\)\(4\)](#))

- 8 (1) Paragraph 45 (reduced-rate supplies: variation of notices under paragraph 44) is amended as follows.
- (2) Omit sub-paragraphs (2) to (4).
- (3) In sub-paragraph (5)—
- (a) in paragraph (b), for “the variation notice is published” substitute “ the variation certificate is given ”, and
 - (b) for the words following that paragraph substitute “ the original certificate has effect as if the facility had never been specified in it ”.
- (4) In sub-paragraph (6)—
- (a) in paragraph (b), for “the variation notice is published” substitute “ the variation certificate is given ”, and
 - (b) for the words following that paragraph substitute “ the original certificate has effect as if the last day of the period specified for the facility in the original certificate were the day on which the variation certificate is given ”.
- (5) In sub-paragraph (7), for the words from “the original notice” to the end substitute “the original certificate has effect as if the last day of the period specified for the facility in the original certificate were the later of—
- (a) the day on which the variation certificate is given, and
 - (b) the day specified in the variation certificate.”
- (6) The italic heading before that paragraph accordingly becomes “ *Reduced-rate supplies: variation of certificates under paragraph 44* ”.

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I7 Sch. 2 para. 8 in force at 1.11.2007 by [S.I. 2007/2902](#), [art. 2\(1\)](#)

9 After that paragraph insert—

“Reduced-rate supplies: deemed supply

45A(1) This paragraph applies where—

- (a) a taxable supply has been made to any person (“the recipient”),
- (b) the supply was made on the basis that it was a reduced-rate supply, and
- (c) it is later determined that the supply was not a reduced-rate supply.

(2) For the purposes of this Schedule—

- (a) the recipient is deemed to make a taxable supply to itself of the taxable commodity, and
- (b) the amount payable by way of levy on that deemed supply is 80 per cent. of the amount that would be payable if the supply were not a reduced-rate supply.”

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Commencement Information

I8 Sch. 2 para. 9 in force at 1.11.2007 by [S.I. 2007/2902](#), [art. 2\(1\)](#) (with [art. 2\(3\)\(4\)](#))

10 In paragraph 147 (interpretation), in the definition of “reduced-rate supply”—

- (a) for “44(3)” substitute “ 44(1) ”, and
- (b) for “44(4)” substitute “ 44(2) ”.

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Commencement Information

I9 Sch. 2 para. 10 in force at 1.11.2007 by [S.I. 2007/2902](#), [art. 2\(1\)](#) (with [art. 2\(2\)\(4\)](#))

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

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

- s. 993 modified by [2016 c. 24 s. 118\(2\)](#)
- Sch. 24 para. 12(5)(za) inserted by [2015 c. 11 Sch. 20 para. 6\(a\)](#)
- Sch. 24 para. 21A(A1) inserted by [2015 c. 11 Sch. 20 para. 7\(2\)](#)
- Sch. 24 para. 4A(A1)(1) substituted for Sch. 24 para. 4A(1) by [2015 c. 11 Sch. 20 para. 3\(2\)](#)
- Sch. 24 para. 28(fa)(ia) words substituted by [2024 c. 3 Sch. 1 para. 11](#)