

3. BILL FOR SECOND READING

3.1. Customs and Excise Bill 2017 – Second Reading approved

Mr Peake to move:

That the Customs and Excise Bill 2017 be read a second time.

The Speaker: Item 3: Bill for Second Reading, the Customs and Excise Bill 2017.

I call on Mr Peake to move.

Mr Peake: Thank you, Mr Speaker.

The purpose of this Bill is to amend three existing Acts of Tynwald. The reasons for the amendments are: ensuring the continuing relevance and effectiveness of one of the main tools that enables compliance with the terms of the Customs and Excise agreement with the United Kingdom; secondly, to recognise the need for Treasury to be able to co-operate with a wider range of bodies outside the Island in the assigned matters; finally, to implement some of the recommendations of the recent Moneyval report on the Island, and seek to ensure that any future examination of the Island by way of a national risk assessment or Moneyval review produces a favourable result.

Part 1 of the Bill deals with the short title, its commencement and the fact that it expires once all the amendments it makes are in place.

Part 2 contains the amendments to the Customs and Excise Act 1993. It is this Act that Treasury uses to ensure compliance with the terms of the Customs and Excise Agreement.

The Act allows for the application of relevant United Kingdom and European Union legislation by Order. For example, the Act has been used to introduce and update legislation dealing with the export control licensing, excise duty on the sales of National Lottery tickets, and the structure of reviews and appeals against decisions involving customs, excise and VAT matters.

The amendments take account of developments in the way certain prohibitions and restrictions are expressed, such as the use of the phrase 'placing on the market'.

The second amendment removes any doubt over the use of the Act to apply measures concerning trade controls on the trafficking and brokering of certain goods.

The third amendment will allow for the reconvention or replacement of the principal order dealing with the operation of the United Kingdom excise matters, updating the provisions and making it explicit the need to lay before Tynwald the Annual Report on the Operation of the Agreement produced by the National Audit Office.

Part 3 of the Bill concerns amendments to the Customs and Excise Management Act 1986. This is the main piece of legislation governing customs and excise matters in the Isle of Man. The first change effects Part VA of the Act, fulfilling an Moneyval recommendation that there be an explicit requirement in law for the Treasury to record details of cash declarations and seizures relating to the requirement to declare any cash entering or leaving the Island that exceeds €10,000.

The amendments also require that the Treasury lays before Tynwald an Annual Report on the Operation of the Cash Declaration Regime.

The second change affects sections 174B and 174D of the Customs and Excise Act 1986, and extends the Treasury's discretion to disclose information and documents to outside agencies in cases where civil investigations are being undertaken by an enforcement authority.

Part 4 of the Bill makes a small technical, but important, amendment to the Terrorism and Other Crime (Financial Restrictions) Act 2014. The replacement of a single word in section 63 of the Act will remove a legal barrier preventing delegation by Treasury to the Financial Intelligence Unit of the role of receiving and acting upon reports concerning United Nations and European Union sanctions.

Mr Speaker, I beg to move.

The Speaker: Hon. Member, Mr Cannan.

Mr Cannan: Thank you, I beg to second and reserve my remarks.

The Speaker: If no Member wishes to speak, I put the question that the Customs and Excise Bill 2017 be read for a second time. Those in favour, please say aye; those against, no. The ayes have it. The ayes have it.