

MEDWAY COUNCIL ACT 2001



Dealers in Second Hand Goods

From the 1st December 2001 any person who carries on a trade or business in Kent the whole or part of which consists of transactions in second hand goods, is legally required to register with the Kent County Council. Identical requirements apply to Medway but a single registration will cover both local authorities. In addition you must register any business premises in Kent where second hand goods are bought and sold. If a dealer buys and sells from his home then those premises will be regarded as business premises.

Registration

Registration is free and will last for four years. You can register by telephoning the Medway Council on 01634 333170 (weekdays between the hours of 8.30am and 4.45pm), or if you prefer you can register on-line at www.medway.gov.uk. Alternatively, you can register by completing the attached form and returning it to us at the address shown on the form.

Please note that if any of the details on the registration form change then a new registration must be made even if it is within four years.

Exemptions from registration are as follows: -

- a person registered as a charity under section 3 of the Charities Act 1993
- a person registered as a scrap metal dealer under the Scrap Metal Dealers Act 1964
- a person engaged in the business either of financing the acquisition of goods by means of hire purchase agreements, conditional sale agreements or credit sale agreements (as defined in section 189(1) of the Consumer Credit Act 1974) or for financing the use of goods by means of bailment agreements
- a person engaged in the business as a dealer in waste paper, cardboard, textiles, plastic in bulk or second hand clothes
- a pawnbroker
- a person engaged in the business of supplying new unused goods (other than motor vehicles) who accepts second hand goods as part of the consideration for those new unused goods
- a person engaged in a business which includes the occasional purchase (but not the sale, supply or offering to supply) of second hand goods in the county
- a person of a class which is by resolution of the Council excluded from the requirements
- the sale of animals
- the sale of second hand books

Record Keeping

The Act requires registered dealers to keep detailed records of certain goods bought and sold. The records must be kept for two years and must be produced (if requested) to a police constable or to an authorised officer from the councils.

When **buying an article** (subject to the low value exemptions detailed in the table below) the registered dealer must record: -

- the date of the transaction,
- "a description sufficient, where reasonably possible, to identify the article" – this should include where appropriate the number of the articles; the type of material from which each article is made; the colour; the artist's name, brand name or manufacturer's identity if revealed by a symbol or mark on each article; the serial number(s); any distinguishing mark or feature on each article; and any stock number or other information which is used to distinguish each article whilst in the dealer's possession.

- the name and address of the person from whom the article was acquired. When buying goods from another registered dealer it will be sufficient to record the council's registered dealer certificate number in lieu of a name and address.
- if the article is a motor vehicle, the registered number and odometer reading (in the case of plant and motor vehicles that do not have registered numbers, any serial number or vehicle identification number must be recorded)

It is not necessary to record every item. This table details the categories and circumstances when **purchase** records are required: -

Categories of goods which must always be recorded
Electrically or battery powered goods, or any medium on which sound images or other data may be stored or recorded and which is intended for use with any such goods (e.g. computer software, CDs, video and audio tapes)
Categories of goods which must be recorded if, in the reasonable opinion of the dealer at the time of the transaction, are to be sold or offered for sale for more than £10
Vehicle parts, jewellery, watches, photographic equipment, sports equipment, equestrian equipment, boating equipment, musical equipment, tools, bicycles, optical equipment, firearms, and gardening equipment
Categories of goods which must be recorded if, in the reasonable opinion of the dealer at the time of the transaction, are to be sold or offered for sale for more than £50
All goods not previously mentioned

When **selling an article** the dealer must record the name and address of the purchaser where the article (or set of articles) is sold for a price exceeding £100 and the articles are electrically or battery powered goods, vehicles and vehicle parts, plant, jewellery, watches, photographic equipment, sports equipment, equestrian equipment, building materials, boat and boating equipment, musical instruments and gardening equipment, **or exceeding £500 in the case of all other articles**. If the person purchasing the article is another registered dealer it will be sufficient to record his council registration number instead of his name and address.

The councils are prepared to accept any form of record, including computer records, which incorporate the specified information. Existing VAT records, or any other record system which contains the information, or which can be adapted to include the information will be acceptable.

Dealers who have registered premises in the county, or who live and trade in the county, will have to keep records of all relevant transactions carried out, even where those transactions take place outside the county. If a dealer lives in the county but carries out his business **primarily** from premises occupied by him outside the county, he will only need to record those relevant transactions which take place in the county. Dealers who do not have business premises in the county and who live outside the county but sometimes visit to sell goods, need only record those relevant transactions which take place in the county.

Other Information

You are required to conspicuously display your certificate of registration when dealing in Kent. **You must not carry out any activities that require registration before you receive your certificate of registration.** Certificates will normally be forwarded to you within 3 days from the receipt of your application. If you have not received your certificate within 7 days please contact us on 01634 333170.

It is a criminal offence if you fail to register when required to do so; if you fail to keep the required records; if you knowingly enter false information in any record kept under the Act; if you fail without reasonable excuse to produce the records on demand to an authorised officer or a police constable; or if you fail to display a copy of the certificate of registration when dealing in Kent.

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 During the initial stages of the implementation of the Medway Act 2001 and the heavy demand anticipated, we would expect your certificate to be forwarded to you within 7 days. Please contact us if you have not received your certificate within 21 days.