Finance Act 1996

1996 CHAPTER 8

PART I

EXCISE DUTIES

Hydrocarbon oil duties

6 Mixing of rebated oil.

(1) The [M1]Hydrocarbon Oil Duties Act 1979 shall be amended as mentioned in subsections (2) to (4) below.

(2) In section 20 (contaminated or accidentally mixed oil), after subsection (3) there shall be inserted the following subsection—

"(4) The power to make a payment to a person under subsection (2) above in relation to oils that have become accidentally mixed does not apply in relation to a mixture in respect of which he is liable to pay duty under section 20AAA below."

(3) After section 20A there shall be inserted the following sections—

"**20AAA Mixing of rebated oil.**

(1) Where—

(a) a mixture which is leaded or unleaded petrol is produced in contravention of Part I of Schedule 2A to this Act, and

(b) the mixture is not produced as a result of approved mixing,

a duty of excise shall be charged on the mixture.

(2) Where—

(a) a mixture of heavy oils is produced in contravention of Part II of Schedule 2A to this Act,

(b) the mixture is not produced as a result of approved mixing, and

(c) the mixture is supplied for use as fuel for a road vehicle or an excepted vehicle,

a duty of excise shall be charged on the mixture.

(3) The person liable to pay the duty charged under subsection (1) above is the person producing the mixture.

(4) The person liable to pay the duty charged under subsection (2) above is the person supplying the mixture.

(5) The Commissioners may exempt a person from liability to pay duty charged under this section in respect of the production or supply of a mixture if they are satisfied—

(a) that the mixture has been produced or (as the case may be) supplied accidentally; and

(b) that, having regard to all the circumstances, the person should be exempted from liability to pay the duty.

(6) Part III of Schedule 2A to this Act makes provision with respect to rates and amounts of duty charged under this section.

(7) In this section—

"approved mixing" has the meaning given by section 20A(5) above; and

"excepted vehicle" means a vehicle which is an excepted vehicle under any provision of Schedule 1 to this Act.

20AAB Mixing of rebated oil: supplementary.

(1) A person who—

(a) produces a mixture on which duty is charged under section 20AAA(1) above, or

(b) supplies a mixture on which duty is charged under section 20AAA(2) above,

must notify the Commissioners that he has done so within the period of seven days beginning with the date on which he produced or (as the case may be) supplied the mixture.

(2) A person is not required to give a notification under subsection (1) above if, before he produced or (as the case may be) supplied the mixture, he notified the Commissioners that he proposed to do so.

(3) Notification under subsection (1) or (2) above must be given in such form and in such manner, and must contain such particulars, as the Commissioners may direct.

(4) Subject to subsection (7) below, where it appears to the Commissioners—

(a) that a person has produced or supplied a mixture on which duty is charged under section 20AAA above, and

(b) that he is the person liable to pay the duty,

they may assess the amount of duty due from him to the best of their judgement and notify that amount to him or his representative.

(5) An assessment under subsection (4) above shall be treated as if it were an assessment under section 12(1) of the [M2]Finance Act 1994.

(6) The Commissioners may give a direction that a person who is, or expects to be, liable to pay duty charged under section 20AAA above—

(a) shall account for duty charged under that section by reference to such periods ("accounting periods") as may be determined by or under the direction;

(b) shall make, in relation to accounting periods, returns in such form and at such times and containing such particulars as may be so determined;

(c) shall pay duty charged under that section at such times and in such manner as may be so determined.

(7) The power to make an assessment under subsection (4) above does not apply in relation to a person who is for the time being subject to a direction under subsection (6) above.

(8) Where any person—

(a) fails to give a notification which he is required to give under subsection (1) above, or

(b) fails to comply with a direction under subsection (6) above,

his failure shall attract a penalty under section 9 of the [M3]Finance Act 1994 (civil penalties)."

(4) After Schedule 2 there shall be inserted the Schedule set out in Schedule 1 to this Act.

(5) This section and Schedule 1 to this Act shall have effect in relation to—

(a) the production on or after the appointed day of a mixture which is leaded or unleaded petrol; and

(b) the supply on or after the appointed day of a mixture of heavy oils;

and "the appointed day" here means such day as the Commissioners of Customs and Excise may by order made by statutory instrument appoint.

Subordinate Legislation Made

P1 S. 6(5) power exercised (28.10.1996) by S.I. 1996/2751, **art. 2**

Marginal Citations

M1 1979 c. 5.

M2 1994 c. 9.

M3 1994 c. 9.

Changes to legislation:
There are currently no known outstanding effects for the Finance Act 1996, Section 6.