



Finance Act 2001

2001 CHAPTER 9

PART 1

EXCISE DUTIES

Hydrocarbon oil duties

3 Fuel-testing pilot projects

(1) In the Hydrocarbon Oil Duties Act 1979 (c. 5), after section 20AA insert—

“20AB Power to allow reliefs for fuel testing etc

- (1) The Commissioners may by regulations make provision allowing reliefs as regards excise duty charged in respect of experimental fuel where—
 - (a) the fuel is, or is to be, used for the purposes of a fuel-testing project that is approved by the Commissioners,
 - (b) the project is approved for the purposes of the development of the fuel (see subsection (8)(a) below), and
 - (c) the use takes place, or is to take place, during the period that, for the purposes of the project, is the relief period for the fuel (see subsection (8)(b) below).
- (2) In this section “experimental fuel” means a substance of a description specified in regulations made by the Commissioners.
- (3) For each experimental fuel, the Commissioners shall by regulations make provision specifying—
 - (a) the beginning and end of the period that is the experimental period for that fuel; and
 - (b) the form that (subject to any directions under subsection (9)(a) below) is to be taken by relief under this section as regards excise duty chargeable on that fuel.

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- (4) A form of relief specified under subsection (3)(b) above must be an authorised form; and for the purposes of this section “an authorised form” is—
- (a) a repayment, or
 - (b) a rebate (or extra rebate).
- (5) Relief under this section shall be allowed—
- (a) to the extent specified in, or determined in accordance with, regulations under subsection (1) above, and
 - (b) subject to—
 - (i) such conditions as the Commissioners may impose, and
 - (ii) any directions under subsection (9)(b) below.
- (6) The conditions that may be imposed under subsection (5)(b)(i) above include, in particular, conditions in connection with—
- (a) the collection, keeping, compilation or analysis, or
 - (b) the supply to the Commissioners or other persons, of data, or information, relating to the production, use or performance of an experimental fuel.
- (7) Subsections (8) and (9) below apply where the Commissioners have approved a fuel-testing project.
- (8) The Commissioners shall give directions specifying—
- (a) each experimental fuel for the purposes of whose development the project is approved;
 - (b) for each fuel specified under paragraph (a) above, the beginning and end of the period that, for the purposes of the project, is (in accordance with subsection (10) below) the relief period for the fuel; and
 - (c) any conditions imposed under subsection (5)(b)(i) above that apply to the allowance under this section of relief as regards excise duty chargeable in respect of an experimental fuel used, or to be used, for the purposes of the project.
- (9) The Commissioners may give directions—
- (a) providing for relief as regards excise duty chargeable in respect of an experimental fuel used, or to be used, for the purposes of the project to take an authorised form different to the form specified under subsection (3)(b) above;
 - (b) as to administration in connection with allowing reliefs under this section as regards excise duty chargeable in respect of an experimental fuel used, or to be used, for the purposes of the project.
- (10) For the purposes of subsection (8)(b) above—
- (a) the beginning of the relief period for a fuel may not be earlier than the beginning of the experimental period for that fuel; and
 - (b) the end of the relief period for a fuel may not be later than the end of the experimental period for that fuel.
- (11) In this section—
- “excise duty” means—
 - (a) excise duty chargeable by virtue of this Act, or

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(b) any addition to such duty by virtue of section 1 of the Excise Duties (Surcharges or Rebates) Act 1979 (c. 8);

“fuel-testing project” means a pilot project connected with the technological development of environment-friendly fuels.

(12) Regulations under this section may make different provision for different cases.”.

- (2) In section 24(1) of the Hydrocarbon Oil Duties Act 1979 (c. 5) (regulations for the purposes of provisions providing for rebates etc.), after “section 19A” insert “ , section 20AB ”.
- (3) In section 27(1) of the Hydrocarbon Oil Duties Act 1979 (interpretation), in the definition of “rebate”, for “or 14” substitute “ , 14 or 20AB ”.
- (4) In section 12B(1)(h) of the Finance Act 1994 (c. 9) (excise duty reliefs that may be recovered under section 12A when wrongly given), after “allowed to a person by virtue of section 20AA” insert “ or 20AB ”.

Changes to legislation:

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