



Energy Act 2016

2016 CHAPTER 20

PART 1

THE OGA

Funding

13 Levy on licence holders

- (1) The Secretary of State may, by regulations, provide for a levy to be imposed on, and be payable by, one or more of the following kinds of persons—
 - (a) persons who hold licences (other than excluded licences) granted under section 3 of the Petroleum Act 1998 (searching for, boring and getting petroleum);
 - (b) persons who hold licences (other than excluded licences) granted under section 2 of the Petroleum (Production) Act 1934 (licences to search for and get petroleum);
 - (c) persons who hold licences granted under section 4 of the Energy Act 2008 (unloading and storing gas);
 - (d) persons who hold licences granted under section 18 of the Energy Act 2008 by the Secretary of State or the OGA (storage of carbon dioxide).
- (2) The Secretary of State must exercise the power conferred by subsection (1) so as to secure—
 - (a) that the total amount of licensing levy which is payable in respect of a charging period does not exceed the sum of—
 - (i) the costs incurred by the OGA in exercising its functions in respect of that period, and
 - (ii) the costs incurred in respect of that period by the Lord Chancellor in connection with the provision of Tribunals to consider appeals against decisions of the OGA, and
 - (b) that no levy is payable in respect of costs incurred in the exercise of functions—

Status: This is the original version (as it was originally enacted).

- (i) for which fees are charged under section 12, or
 - (ii) which the OGA is authorised to exercise by virtue of an order under section 69 of the Deregulation and Contracting Out Act 1994 or an agreement under section 7(3) of this Act.
- (3) In determining for the purposes of subsection (2)(a) the total amount of licensing levy payable in respect of a charging period, an amount of levy payable in respect of that period may be ignored if (during that period or subsequently)—
 - (a) having been paid, it is repaid or credit for it is given against other licensing levy that is payable, or
 - (b) having not been paid, the requirement to pay it is cancelled.
- (4) The amount or amounts of licensing levy payable by licence holders must be—
 - (a) set out in the regulations, or
 - (b) calculated in accordance with a method set out in the regulations.
- (5) The licensing levy is payable to the OGA.
- (6) The OGA must pay into the Consolidated Fund any amount which it receives in respect of the licensing levy.
- (7) Subsection (6) does not apply where the Secretary of State, with the consent of the Treasury, otherwise directs.
- (8) The Secretary of State must consult the OGA before making regulations under this section.
- (9) Section 14 does not limit the provision that may be made by regulations under this section.
- (10) In this section and section 14—
 - “charging period” means a period in respect of which licensing levy is payable;
 - “excluded licence”, in relation to a charging period, means a licence that, if granted at the beginning of the period, would fall to be granted by the Scottish Ministers or the Welsh Ministers (and for these purposes a licence within subsection (1)(b) is to be treated as granted under section 3 of the Petroleum Act 1998);
 - “licensing levy” means the levy provided for in regulations under this section.