



# Finance Act 1961

## 1961 CHAPTER 36

### PART I

#### CUSTOMS AND EXCISE

#### **2 Rebate on heavy oils**

- (1) For heavy oils delivered for home use after the relevant time, the rate at which rebate of customs or excise duty is allowed under section one hundred and ninety-nine of the Act of 1952 shall be reduced by twopence a gallon, and accordingly the rates shall be—
  - (a) in the case of fuel oils, gas oils and kerosene charged with the customs duty, and in the case of all oils charged with the excise duty, a rate twopence a gallon less than the rate at which the duty in question is for the time being chargeable ; and
  - (b) in any other case, a rate threepence a gallon less than the rate at which the customs duty is for the time being chargeable.
- (2) On heavy oils on which before the relevant time rebate has been allowed and not been repaid, there shall be repaid twopence a gallon of the rebate allowed, if at or after the relevant time the oils are stored on a site where there is for hydrocarbon oils storage, whether in one ownership or occupation or not, of an aggregate capacity of two hundred thousand gallons or over (or of an aggregate capacity not shown to the satisfaction of the Commissioners, if they so require, to be less than two hundred thousand gallons); and if any person liable to make a repayment under this subsection fails to do so, he shall be liable to a penalty of two hundred pounds or three times the amount unpaid, whichever is the greater.
- (3) Subject to subsection (4) of this section rebate shall be repayable on any oils under the foregoing subsection on their first removal after the relevant time from storage on such a site as aforesaid, and shall be repaid by the person in whose possession they are immediately before the removal, and may be recovered from him as a debt due to the Crown, but the amount paid shall be recoverable by him (where he is not the owner) from the person to whose order he held them immediately before the removal:

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*Status: This is the original version (as it was originally enacted).*

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Provided that where the removal is to bonded storage, or where before the removal (but not before the relevant time) the oils are in bonded storage, rebate shall be repayable and recoverable as if the repayment were a payment of the duty on oils removed to that bonded storage without payment of duty.

- (4) Where the event on which a repayment of rebate would otherwise fall to be made by virtue of the foregoing subsection has happened before the passing of this Act, the rebate shall be repayable on the passing of this Act, but the amount paid shall for the purposes of drawback be deemed to have been paid on the happening of that event.
- (5) Any person who is or has since the relevant time been in occupation of any storage for hydrocarbon oils on such a site as is referred to in subsection (2) of this section (not being bonded storage) shall—
  - (a) notify the Commissioners of that fact, and give them such information, and make such returns, about the storage and about any other matters relevant for the purposes of that subsection as they may from time to time require;
  - (b) keep such books, records and accounts as the Commissioners may direct in relation to the storage and to any such matters as aforesaid, and (except in so far as the Commissioners dispense with this requirement) preserve for six months or any longer period required by the Commissioners all books, records, accounts or documents relating thereto;
  - (c) permit any officer to inspect the storage and the oils therein, and the premises in which it is situated, and to inspect and take copies of or extracts from any books, records, accounts or other documents in his possession or power which relate or appear to relate to the storage, or to any oils that are or have been therein, or to any other matters relevant for the purposes of subsection (2) of this section;
  - (d) if so required by the Commissioners or by any officer, produce any such books, records, accounts or documents at a specified time and place for inspection under the foregoing paragraph.

A person who fails to comply with a requirement imposed on him by or under this subsection shall be liable to a penalty of two hundred pounds.

- (6) Any reduction or repayment of rebate under this section shall be treated as an increase of duty for the purposes of section ten of the Finance Act, 1901 (which provides for adjustments between buyer and seller under contracts affected by increases or decreases in customs or excise duties).
- (7) For the purposes of subsections (2) to (6) of this section, sites in common ownership or occupation (companies of which one controls the other, or which are under common control, being for this purpose regarded as one person) shall be treated as together constituting a single site, if hydrocarbon oils can be delivered from one site to the other by pipe or if the sites are managed as a single unit.
- (8) Subsection (2) of (this section shall not apply to any oils if the Commissioners are satisfied by such evidence as they see fit to require that the following conditions are fulfilled, that is to say—
  - (a) that at the time of the removal of (the oils from the site referred to in that subsection, the site was in the sole occupation of a person using it wholly or mainly for the storage of hydrocarbon oils for himself as a user of such oils (companies of which one controls the other, or which are under common

- control, being regarded as one person for the purposes of this and the two following paragraphs, if they together occupied the site); and
- (b) that the oils in question have been or are to be applied by him (to his own purposes as such a user; and
  - (c) that not more than one-quarter of the heavy oils delivered to him in the (twelve months preceding the relevant time has been or will be applied otherwise than as aforesaid:

Provided that where the oils in question have not been applied as aforesaid before the time when the repayment of rebate would fall to be made, rebate shall be repayable in respect of them unless the person liable for the repayment undertakes, if so required by the Commissioners, to satisfy the Commissioners of their being so applied or, in default, to pay the amount for which he would have been liable in respect of those oils apart from this subsection, and gives such security in that behalf as the Commissioners require.

- (9) In this section " the relevant time " means six o'clock in the evening of the seventeenth day of April, nineteen hundred and sixty-one.