

Council Implementing Decision (EU) 2017/1767 of 25 September 2017 authorising the United Kingdom to apply reduced levels of taxation to motor fuels consumed on the islands of the Inner and Outer Hebrides, the Northern Isles, the islands in the Clyde, and the Isles of Scilly, in accordance with Article 19 of Directive 2003/96/EC

COUNCIL IMPLEMENTING DECISION (EU) 2017/1767

of 25 September 2017

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity⁽¹⁾, and in particular Article 19 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) By letter of 16 September 2016, the United Kingdom requested authorisation to apply a reduced rate of excise duty on gas oil and unleaded petrol pursuant to Article 19 of Directive 2003/96/EC ('the Directive') on the islands of the Inner and Outer Hebrides, the Northern Isles, the islands in the Clyde (all off the coast of Scotland), and the Isles of Scilly (off the south west coast of England). The United Kingdom provided additional information on 16 December 2016.
- (2) In these areas, the prices of gas oil and unleaded petrol are higher than the average prices in the rest of the territory of the United Kingdom, placing local fuel consumers at a disadvantage. The price difference is due to additional per-unit costs related to the geographic location of the islands, their low population numbers and the delivery of relatively low volumes of fuel.
- (3) The tax reduction should not exceed what is necessary to compensate for the additional per-unit costs borne by the consumers in the geographical areas concerned.
- (4) The reduced excise duty rates should be above the minimum rates laid down in Article 7 of the Directive.
- (5) In view of the insular nature of the areas to which it applies and the moderate reduction in the rates, the measure should not give rise to additional driving specifically linked to the supply of motor fuel.

Changes to legislation: Council Implementing Decision (EU) 2017/1767 is up to date with all changes known to be in force on or before 08 July 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

- (6) Consequently, the measure is acceptable from the point of view of the proper functioning of the internal market and of the need to ensure fair competition, and it is compatible with the Union's health, environment, energy and transport policies.
- (7) In light of Article 19(2) of the Directive, each authorisation granted under this Article must be strictly limited in time. In order to provide the businesses and consumers concerned with a sufficient degree of certainty, the authorisation is granted for a period of six years. This decision is without prejudice to the application of the Union rules regarding State aid,

HAS ADOPTED THIS DECISION:

Article 1

The United Kingdom is hereby authorised to apply reduced levels of taxation to unleaded petrol and gas oil used as motor fuel in all the islands of the Inner and Outer Hebrides, the Northern Isles, the islands in the Clyde, and the Isles of Scilly.

The reduction from the national level of taxation for unleaded petrol or for gas oil respectively shall be no greater than the additional cost of retail sales in these geographical areas, compared with the average cost incurred of retail sales in the United Kingdom and shall be no more than GBP 50 per 1 000 litres of product.

Article 2

This Decision shall apply from 1 November 2017 and shall expire on 31 October 2023.

Article 3

This Decision is addressed to the United Kingdom of Great Britain and Northern Ireland.

Done at Brussels, 25 September 2017.

For the Council

The President

M. MAASIKAS

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(1) [OJ L 283, 31.10.2003, p. 51.](#)

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Changes and effects yet to be applied to :

- Decision modified by [S.I. 2019/1216 reg. 3\(2\)](#)