



Finance Act 1997

1997 CHAPTER 16

PART I

EXCISE DUTIES

Hydrocarbon oil duties

7 Ultra low sulphur diesel.

- (1) In section 1 of the Hydrocarbon Oil Duties Act 1979 (definitions of oil)—
- (a) in subsection (1), for “(2) to (4)” there shall be substituted “ (2) to (6) ”; and
 - (b) after subsection (4) there shall be inserted the following subsections—
 - “(5) “Gas oil” means heavy oil of which not more than 50 per cent. by volume distils at a temperature not exceeding 240° C and of which more than 50 per cent. by volume distils at a temperature not exceeding 340° C.
 - (6) “Ultra low sulphur diesel” means gas oil the sulphur content of which does not exceed 0.005 per cent. by weight or is nil.”
- (2) In section 6 of that Act (excise duty on hydrocarbon oil), in subsection (1) (as amended by section 6 above), for the words from “the rate of £0.4168” to the end of the subsection there shall be substituted “ the rates specified in subsection (1A) below. ”
- ^{F1}(3)
- (4) In subsection (3) of that section, for “that subsection” there shall be substituted “ subsection (1A) above ”.
- (5) In section 11(1) of that Act (rebate on heavy oil)—
- ^{F2}(a)
 - ^{F3}(b)
 - (c) in paragraph (c), for “other than fuel oil and” there shall be substituted “ which is neither fuel oil nor ”.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1997, Section 7. (See end of Document for details)

- (6) In section 13AA(6) of that Act (rate for rebated gas oil), for “section 6(1) above in the case of heavy oil” there shall be substituted “ section 6(1A) above in the case of heavy oil which is not ultra low sulphur diesel, ”.

^{F4}(7)

- (8) In section 27(1) of that Act (interpretation)—
(a) after the definition of “aviation gasoline” there shall be inserted the following definition—

““gas oil” has the meaning given by section 1(5) above;” and

^{F5}(b)

- (9) In Schedule 2A to that Act (mixing of heavy oil)—
(a) in paragraph 4(a), after “section 11(1)(b)” there shall be inserted “ or (ba) ”;
(b) in paragraph 6(b), after “section 11(1)(b)” there shall be inserted “ or (ba) ”;
(c) after paragraph 6 there shall be inserted—

“6A Mixing different types of partially rebated gas oil

A mixture of heavy oils is produced in contravention of this paragraph if such a mixture is produced by mixing—

- (a) ultra low sulphur diesel in respect of which a rebate has been allowed under section 11(1)(ba) of this Act; and
(b) gas oil in respect of which a rebate has been allowed under section 11(1)(b) of this Act.”;
(d) in paragraph 7 (complex mixtures of heavy oils), for the words from “if such a mixture” to the end of the paragraph there shall be substituted “ if the production of a mixture of two of the components of that mixture is a contravention of any of paragraphs 4 to 6A above. ”;
^{F1}(e)
- (f) in paragraph 9(2) (rate for heavy oil), for “in the case of heavy oil by section 6(1) of this Act” there shall be substituted “ by section 6(1A) of this Act in the case of heavy oil which is not ultra low sulphur diesel ”; and
(g) in paragraph 11 (interpretation), for “ “fuel oil” and “gas oil” have the same meanings ” there shall be substituted “ “fuel oil” has the same meaning ”.

- (10) This section shall come into force on such day as the Commissioners of Customs and Excise may by order made by statutory instrument appoint.

Subordinate Legislation Made

P1 S. 7(10) power fully exercised (6.8.1997): 15.8.1997 appointed by [S.I. 1997/1960, art. 2](#)

Textual Amendments

F1 S. 7(3)(9)(e) repealed (1.10.2000) by [2000 c. 17, s. 156, Sch. 40 Pt. I\(1\)](#) Note 1; [S.I. 2000/2674, art. 2](#)

F2 S. 7(5)(a) omitted (retrospective to 1.4.2008) by virtue of [Finance Act 2008 \(c. 9\), s. 13\(11\)\(b\)\(12\)](#)

F3 S. 7(5)(b) omitted (retrospective to 1.4.2008) by virtue of [Finance Act 2008 \(c. 9\), s. 13\(11\)\(b\)\(12\)](#)

F4 S. 7(7) omitted (retrospective to 1.4.2008) by virtue of [Finance Act 2008 \(c. 9\), Sch. 5 paras. 25\(c\)\(i\), 26\(b\)](#)

F5 S. 7(8)(b) omitted (retrospective to 1.4.2008) by virtue of [Finance Act 2008 \(c. 9\), s. 13\(11\)\(b\)\(12\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1997, Section 7.