

SCHEDULES

SCHEDULE 2

HYDROCARBON OIL DUTIES: MINOR AND CONSEQUENTIAL AMENDMENTS RELATING TO BIODIESEL

Mixing biodiesel and rebated heavy oil

- 5 (1) In section 20AAA (mixing of rebated oil), after subsection (2A) insert—
- “(2B) Where a mixture is produced in contravention of Part 2B of Schedule 2A to this Act, a duty of excise shall be charged on the mixture.”.
- (2) In section 20AAA(3) (producer of mixture liable to pay duty), for “or (2A)” substitute “, (2A) or (2B) ”.
- (3) After Part 2A of Schedule 2A (mixing of rebated oil) insert—

“PART 2B

BIODIESEL

Mixing biodiesel with rebated heavy oil

- 7B (1) A mixture is produced in contravention of this paragraph if it is produced by mixing—
- (a) biodiesel or a substance containing biodiesel, and
 - (b) rebated heavy oil.
- (2) In sub-paragraph (1)(b) above “rebated heavy oil” means heavy oil in respect of which a rebate has been allowed under section 11 of this Act.”.
- (4) In paragraph 9(1A) of that Schedule (rates of duty for mixtures of heavy oil), after “subsection (2A)” insert “ or (2B) ”.
- (5) In paragraph 10(1) of that Schedule (credit for duty paid on ingredients of mixture), after “section 6” insert “, 6AA, 6AB or 6A ”.
- (6) In section 20AAB (mixing of rebated oil: supplementary), in subsection (1)(a) for “or (2A)” substitute “, (2A) or (2B) ”.
- (7) In section 22 (prohibition on use of petrol substitutes on which duty has not been paid), after subsection (1) insert—
- “(1AA) Where any person—
- (a) puts any biodiesel to a chargeable use (within the meaning of section 6AA above), and

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2002, Paragraph 5. (See end of Document for details)

- (b) knows or has reasonable cause to believe that there is duty charged under section 6AA above on that biodiesel which has not been paid and is not lawfully deferred,

his putting the biodiesel to that use shall attract a penalty under section 9 of the Finance Act 1994 (civil penalties), and any goods in respect of which any person contravenes this subsection shall be liable to forfeiture.”.

- (8) In section 22(1A) (section 10 of the Finance Act 1994 does not apply), after “subsection (1)” insert “ or (1AA) ”.

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