Status: *This version of this schedule contains provisions that are prospective.*
Changes to legislation: *There are currently no known outstanding effects for the Finance Act 2021, SCHEDULE 21. (See end of Document for details)*

SCHEDULES

SCHEDULE 21

Section 102

RESTRICTION OF USE OF REBATED DIESEL AND BIOFUELS

1 HODA 1979 is amended as follows.

2 In section 6AA (excise duty on biodiesels), in subsection (2)—

(a) after paragraph (a) insert—

"(aa) for heating,";

(b) in paragraph (b), for "so used" substitute " used as mentioned in paragraph (a) or (aa) ".

3 (1) In section 6AB (excise duty on blends of biodiesel and heavy oils), in subsection (4A), for "other than as fuel for road vehicles" substitute " as fuel for excepted machines ".

(2) If paragraph 2 of Schedule 11 to FA 2020 has come into force in relation to any part of the United Kingdom before this Schedule comes into force then, in relation to that part, in sub-paragraph (1) of this paragraph, after "vehicles" insert " etc ".

4 In section 6A (fuel substitutes), in subsection (2)—

(a) at the end of paragraph (a) (but before the "or") insert—

"(aa) for heating;";

(b) in paragraph (b), for "so used" substitute " used as mentioned in paragraph (a) or (aa) ".

PROSPECTIVE

5 (1) In section 12 (rebate not allowed on fuel for road vehicles)—

(a) in the heading, for "for road vehicles" substitute " other than for excepted machines ";

(b) in subsection (1), for "for a road vehicle" substitute " other than for an excepted machine ";

[F1](c) . . . . . .

(2) If paragraph 3 of Schedule 11 to FA 2020 has come into force in relation to any part of the United Kingdom before this Schedule comes into force then, in relation to that part—

(a) in sub-paragraph (1)(a) of this paragraph, after "vehicles" insert " etc ";

(b) in sub-paragraph (1)(b) of this paragraph, after "vehicle" insert " or as fuel for propelling a private pleasure craft ".

Textual Amendments

F1 Sch. 21 para. 5(1)(c) omitted (1.4.2022) by virtue of Finance Act 2022 (c. 3), **Sch. 11 para. 10(a)**

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PROSPECTIVE

6 (1) Section 13 (penalties for contravention of section 12) is amended as follows.

(2) In subsection (1)—

F2(a) . . . . . .

(b) in paragraph (b)—

(i) for "road vehicle" substitute " vehicle, vessel, machine or appliance ";

F3(ii) . . . . . .

(3) In subsection (1A)—

(a) in the words before paragraph (a)—

(i) for "road vehicle" substitute " vehicle, vessel, machine or appliance ";

F4(ii) . . . . . .

(b) in paragraph (a), for "road vehicle" substitute " vehicle, vessel, machine or appliance ".

F5(4) . . . . . .

F6(5) . . . . . .

F7(6) . . . . . .

(7) In subsection (6)—

F8(a) . . . . . .

(b) in paragraph (b), for the words from "a vehicle" to the end substitute " a vehicle, vessel, machine or appliance at a time when it is an excepted machine and remaining in that vehicle, vessel, machine or appliance as part of its fuel supply at a later time when it ceases to be an excepted machine ".

Textual Amendments

F2 Sch. 21 para. 6(2)(a) omitted (1.4.2022) by virtue of Finance Act 2022 (c. 3), **Sch. 11 para. 10(b)**

F3 Sch. 21 para. 6(2)(b)(ii) omitted (1.4.2022) by virtue of Finance Act 2022 (c. 3), **Sch. 11 para. 10(c)**

F4 Sch. 21 para. 6(3)(a)(ii) omitted (1.4.2022) by virtue of Finance Act 2022 (c. 3), **Sch. 11 para. 10(d)**

F5 Sch. 21 para. 6(4) omitted (1.4.2022) by virtue of Finance Act 2022 (c. 3), **Sch. 11 para. 10(e)**

F6 Sch. 21 para. 6(5) omitted (1.4.2022) by virtue of Finance Act 2022 (c. 3), **Sch. 11 para. 10(f)**

F7 Sch. 21 para. 6(6) omitted (1.4.2022) by virtue of Finance Act 2022 (c. 3), **Sch. 11 para. 10(g)**

F8 Sch. 21 para. 6(7)(a) omitted (1.4.2022) by virtue of Finance Act 2022 (c. 3), **Sch. 11 para. 10(h)**

7 (1) In section 13ZB (restrictions on supply of certain heavy oil for heating etc), in subsection (5), in the definition of "prohibited use", for "for a road vehicle" substitute " other than for an excepted machine ".

(2) If paragraph 4 of Schedule 11 to FA 2020 has come into force in relation to any part of the United Kingdom before this Schedule comes into force then, in relation to that part, in sub-paragraph (1) of this paragraph, after "vehicle" insert " or as fuel for a private pleasure craft ".

8 (1) Section 13AA (restrictions on use of rebated kerosene) is amended as follows.

(2) In subsection (1), for paragraphs (a) and (b) substitute " an excepted machine other than an excepted machine used for heating ".

(3) In subsection (2), for paragraphs (a), (b) and (c) substitute—

"(a) be used as fuel for an excepted machine other than an excepted machine used for heating, or

(b) be taken into the fuel supply of an excepted machine other than an excepted machine used for heating."

9 In section 13AB (penalty for contravention of section 13AA), in subsection (2), in the words before paragraph (a), omit "of an engine".

10 (1) Section 14A (rebate on biodiesel used other than as fuel for road vehicles etc) is amended as follows.

(2) In the heading, for "other than as fuel for road vehicles etc" substitute " as fuel for excepted machines ".

(3) In subsection (1)—

(a) in paragraph (a), for "for a road vehicle" substitute " other than for an excepted machine ";

(b) omit paragraph (aa);

(c) in paragraph (b), for "used as mentioned in paragraph (a) or (aa)" substitute " other than a substance used as fuel for an excepted machine ".

(4) Omit subsection (4).

11 (1) Section 14B (rebate on bioblend used other than as fuel for road vehicles) is amended as follows.

(2) In the heading, for "other than as fuel for road vehicles" substitute " as fuel for excepted machines ".

(3) In subsection (1)(a)—

(a) in sub-paragraph (i), for "for a road vehicle" substitute " other than for an excepted machine ";

(b) in sub-paragraph (ii), for "so used" substitute " other than a substance used as fuel for an excepted machine ".

(4) In subsection (1)(b)(i), for the words from "fuel" to "of" substitute " mentioned in ".

(5) If paragraph 6 of Schedule 11 to FA 2020 has come into force in relation to any part of the United Kingdom before this Schedule comes into force then, in relation to that part—

(a) in sub-paragraph (2) of this paragraph, after "vehicles" insert " etc ";

(b) after sub-paragraph (3)(a) of this paragraph insert—

"(aa) omit sub-paragraph (ia);";

(c) in sub-paragraph (3)(b) of this paragraph, for "so used" substitute " used as mentioned in sub-paragraph (i) or (ia) ".

12 (1) Section 14C (restrictions on use of rebated diesel and bioblend) is amended as follows.

(2) In subsection (1)—

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(a) in paragraph (a), for "for a road vehicle" substitute " other than for an excepted machine ";

(b) in paragraph (b), for "so used" substitute " other than a substance used as fuel for an excepted machine ";

(c) for subsections (c) and (d) substitute ", or

(c) taken into the fuel supply of any engine that is not the engine of an excepted machine as fuel or as an additive or extender in any substance used as fuel."

(3) In subsection (2)—

(a) in paragraph (a), for the words from "fuel" to "of" substitute " mentioned in ";

(b) in paragraph (c), for "such an engine" substitute " an engine used as mentioned in section 13AA(1) ".

(4) Omit subsection (4A).

(5) If paragraph 7 of Schedule 11 to FA 2020 has come into force in relation to any part of the United Kingdom before this Schedule comes into force then, in relation to that part, in sub-paragraph (2)(c) of this paragraph—

(a) for "subsections (c) and (d)" substitute " subsection (c) ";

(b) omit ", or".

13 (1) Section 14D (penalties for misuse of rebated biodiesel or bioblend) is amended as follows.

(2) In subsection (1)—

(a) in the words before paragraph (a), for "a road vehicle" substitute " a fuel supply ";

(b) in paragraph (b), for "vehicle" substitute " fuel supply ".

(3) In subsection (2)(b), for "vehicle or the fuel supply of an engine" substitute " fuel supply ".

(4) In subsection (3)(b), for "vehicle or the fuel supply of an engine" substitute " fuel supply ".

PROSPECTIVE

[F9]14 . . . . . .

Textual Amendments

F9 Sch. 21 para. 14 omitted (1.4.2022) by virtue of Finance Act 2022 (c. 3), **Sch. 11 para. 10(i)**

PROSPECTIVE

[F10]15 . . . . . .

Textual Amendments

F10 Sch. 21 para. 15 omitted (1.4.2022) by virtue of Finance Act 2022 (c. 3), **Sch. 11 para. 10(j)**

16 (1) Section 19 (fuel used in fishing boats etc) is amended as follows.

(2) In the heading, for "fishing boats" substitute " lifeboats ".

(3) In subsection (3), omit "less any rebate allowed in respect of the duty".

17 (1) In section 20AAA (mixing of rebated oil), in subsection (4)(a), for "for a road vehicle" substitute " other than for an excepted machine ".

(2) If paragraph 10 of Schedule 11 to FA 2020 has come into force in relation to any part of the United Kingdom before this Schedule comes into force then, in relation to that part, in sub-paragraph (1) of this paragraph, after "vehicle" insert " or as fuel for propelling a private pleasure craft ".

PROSPECTIVE

F11 18 . . . . . .

Textual Amendments

F11 Sch. 21 para. 18 omitted (1.4.2022) by virtue of Finance Act 2022 (c. 3), **Sch. 11 para. 10(k)**

19 (1) Section 24A (penalties for misuse of marked oil) is amended as follows.

(2) In subsection (1), for "a road vehicle" substitute " other than for an excepted machine ".

(3) In subsection (3), for "for road vehicles or for road vehicles of a particular description" substitute " other than for excepted machines ".

(4) In subsection (7) for the words from "road vehicle" to "the vehicle" substitute " vehicle, vessel, machine or appliance other than an excepted machine ".

20 (1) Section 27 (interpretation) is amended as follows.

(2) In subsection (1)—

(a) after the definition of "controlled oil" insert—

""excepted machine" means a vehicle, vessel, machine or appliance that is of a description given in Schedule 1A;";

(b) omit the definition of "excepted vehicle";

(c) in the definition of "road vehicle" for "excepted vehicle" substitute " vehicle that is an excepted machine ".

(3) In subsection (1ZA)—

(a) in the words before paragraph (a), after "vehicle" insert " , vessel, machine or appliance ";

(b) in paragraph (a), after "vehicle" insert " or vessel, or, as the case may be, for powering the machine or appliance ";

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(c) at the end of paragraph (a) (but before the "or" at the end of that paragraph) insert—

"(aa) in relation to an appliance that contains a furnace or boiler for use in a heating system, that furnace or boiler,";

(d) for paragraph (b) substitute—

"(b) an engine, furnace or boiler which draws fuel from the same supply as an engine or, as the case may be, furnace or boiler, within paragraph (a) or (aa)."

(4) In subsection (1ZB)—

(a) after "into a vehicle" insert " , vessel, machine or appliance ";

(b) after "into the vehicle" insert " , vessel, machine or appliance ";

(c) the words from "from which the engine" to the end become paragraph (a);

(d) in that paragraph, after "propelling the vehicle" insert " or vessel or, as the case may be, for powering the machine or appliance, ";

(e) after that paragraph insert ", or

(b) in relation to an appliance that contains a furnace or boiler for use in a heating system, from which the furnace or boiler draws fuel."

(5) In subsection (1ZC)—

(a) in the words before paragraph (a)—

(i) after "vehicle" insert " , vessel, machine or appliance, ";

(ii) after "engine" insert " , furnace or boiler ";

(b) in paragraph (a), for "or engine" substitute " , vessel, machine or appliance, or of the engine, furnace or boiler ";

(c) in paragraph (b), for "or engine" substitute " , vessel, machine or appliance, or of the engine, furnace or boiler ".

(6) In subsection (1ZD)—

(a) omit "appliances and";

(b) after "vehicles" insert " , vessels, machines or appliances ".

21 Omit Schedule 1 (excepted vehicles).

22 Before Schedule 2 insert—

"SCHEDULE 1A

Section 27(1)

EXCEPTED MACHINES

1 Any vehicle, vessel, machine or appliance of one of the following descriptions is an "excepted machine" for the purposes of this Act.

Agricultural vehicle

2 (1) An agricultural vehicle at a time when it is used for—

(a) purposes relating to agriculture, horticulture, pisciculture or forestry,

(b) cutting verges bordering public roads,

(c) cutting hedges or trees bordering public roads or bordering verges which border public roads, or

(d) clearing or otherwise dealing with frost, ice, snow or flooding,

including when it is going to or from the place where it is to be or has been used for any of those purposes.

(2) An agricultural vehicle that is used for any purpose on land where it is kept and used for purposes relating to agriculture, horticulture, pisciculture or forestry.

(3) An agricultural vehicle kept and used on a golf course or on land maintained by a community amateur sports club.

(4) An agricultural vehicle used in any other circumstances provided—

(a) it is not being used on a public road, and

(b) it uses fuel gas for fuel.

(5) In this paragraph, "an agricultural vehicle" means—

(a) a tractor;

(b) a vehicle designed and constructed primarily for use otherwise than on roads which—

(i) has a revenue weight not exceeding 1,000 kilograms, and

(ii) is designed and constructed to seat only the driver;

(c) any vehicle that is an exempt vehicle for the purposes of paragraph 20A of Schedule 2 to that Act (vehicles used for purposes relating to agriculture, horticulture or forestry);

(d) any other vehicle designed and constructed to be used for purposes relating to agriculture, horticulture, pisciculture or forestry.

Special vehicles

3 (1) A special vehicle at a time when it is used—

(a) for purposes relating to agriculture, horticulture, pisciculture or forestry, including when it is going to or from the place where it is to be or has been used for such purposes, or

(b) on a golf course or on land maintained by a community amateur sports club.

(2) A special vehicle used in any other circumstances provided it uses fuel gas for fuel.

(3) In this paragraph, a "special vehicle" is a vehicle of any weight but otherwise designed, constructed and used as mentioned in Part 4 of Schedule 1 to the Vehicle Excise and Registration Act 1994.

Unlicensed vehicles

4 (1) An unlicensed vehicle at a time when it is used—

(a) for purposes relating to agriculture, horticulture, pisciculture or forestry,

(b) on a golf course or on land maintained by a community amateur sports club, or

(c) on land occupied by a travelling fair or travelling circus.

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(2) An unlicensed vehicle used in any other circumstances provided it uses fuel gas for fuel.

(3) In this paragraph, "unlicensed vehicle" means a vehicle that is—

(a) unlicensed for the purposes of section 22(1D) of the Vehicle Excise and Registration Act 1994,

(b) kept by a person who has complied with such requirements relating to the vehicle as are prescribed for the time being in regulations under that section, and

(c) not used or kept on a public road.

Trains etc

5 Any vehicle designed to be operated on a railway within the meaning of section 67(1) of the Transport and Works Act 1992.

Vessels

6 (1) Any vessel other than a vessel in Northern Ireland that is a private pleasure craft.

(2) Any machine or appliance that is permanently on a vessel within sub-paragraph (1).

(3) Any machine or appliance that is permanently on a private pleasure craft in Northern Ireland, but that draws fuel from a supply other than the supply from which the engine provided for propelling the private pleasure craft draws fuel.

(4) In this paragraph, references to Northern Ireland do not include any of the territorial sea of the United Kingdom that is adjacent to Northern Ireland.

Mowing machines

7 A machine designed only for mowing grass at a time when it is used on—

(a) land maintained for purposes relating to agriculture, horticulture, pisciculture or forestry;

(b) a golf course or on land maintained by a community amateur sports club;

(c) land occupied by a travelling fair or travelling circus.

Other machines or appliances

8 (1) A machine or appliance that is not a vehicle or vessel at a time when it is used—

(a) for purposes relating to agriculture, horticulture, pisciculture or forestry;

(b) on a golf course or on land maintained by a community amateur sports club;

(c) to operate or maintain equipment in a travelling fair or travelling circus;

(d) for heating, or to generate electricity, for premises that are not used for commercial purposes.

(2) For the purposes of sub-paragraph (1)(d), caravans used for the accommodation of those who travel with a travelling fair or travelling circus are to be treated as premises that are not used for commercial purposes.

Interpretation

9 (1) In this Schedule—

"caravan" has the meaning given by section 29(1) of the Caravan Sites and Control of Development Act 1960;

"community amateur sports club" has the meaning given by section 658 of the Corporation Tax Act 2010;

"fair" means a fair consisting wholly or principally of the provision of amusements;

"fuel gas" means any substance which would be road fuel gas within the meaning given by section 5(1) if it were for use as fuel in a road vehicle;

"golf course" includes driving range (whether or not on the site of a golf course).

(2) In this Schedule, references to a vehicle being used—

(a) on a golf course, or

(b) on land maintained by a community amateur sports club,

include references, when two parts of the golf course or land are on either side of a road, to the vehicle going between the two parts by the shortest practicable route.

(3) In this Schedule, a fair or circus is a travelling fair or circus if—

(a) it is provided or operated wholly or principally by persons who travel from place to place for the purpose of providing or operating fairs or circuses, and

(b) it is held at a place no part of which has been used for the provision of that fair or (as the case may be) circus on more than 27 days in the same calendar year."

23 (1) Schedule 4 (subjects for regulations under section 24) is amended as follows.

(2) In paragraph 19, for "road vehicle" substitute " vehicle, vessel, machine or appliance ".

(3) In paragraph 20, at the end insert " , vessel, machine or appliance ".

(4) In paragraph 21—

(a) for "(other" substitute " (including places of any description, and in particular tents or movable structures, other ";

(b) after "vehicles" insert " , vessels, machines or appliances ";

(c) after "any vehicle" insert " , vessel, machine or appliance ".

(5) If paragraph 13 of Schedule 11 to FA 2020 has come into force in relation to any part of the United Kingdom before this Schedule comes into force then, in relation to that part—

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Changes to legislation: *There are currently no known outstanding effects for the Finance Act 2021, SCHEDULE 21. (See end of Document for details)*

(a) in sub-paragraph (2) of this paragraph, after "road vehicle" insert " or a vessel ";

(b) in sub-paragraph (3) of this paragraph, for the words from "at the end" to the end substitute "for " or a vessel " substitute ", vessel, machine or appliance" ";

(c) for sub-paragraph (4)(b) of this paragraph substitute—

"(b) for "or vessels" substitute " , vessels, machines or appliances ";";

(d) for sub-paragraph (4)(c) of this paragraph substitute—

"(c) for "or vessel" substitute " , vessel, machine or appliance "".

24 (1) In Schedule 5 (sampling), in paragraph 7, after "vehicle" insert " , vessel, machine or appliance ".

(2) If paragraph 14 of Schedule 11 to FA 2020 has come into force in relation to any part of the United Kingdom before this Schedule comes into force then, in relation to that part, in sub-paragraph (1) of this paragraph, for the words from "after" to the end substitute "for " or a vessel " substitute ", vessel, machine or appliance" ".

Status:
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Changes to legislation:
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