
EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 1st April 2008, makes amendments to the Other Fuel Substitutes (Rates of Excise Duty etc.) Order 1995 (“the principal Order”) following the reduction in the number of excise duty rates specified in section 6(1A)(1) of the Hydrocarbon Oil Duties Act 1979 (“the Act”). The principal Order prescribes the rates of excise duty charged on certain liquids under section 6A of the Act.

The Order amends the definition of “petrol engine” in article 2(1)(j) of the principal Order and substitutes references to “leaded petrol”, “ultra low sulphur petrol”, “sulphur-free petrol” and “sulphur-free diesel” for which there are no longer separate rates of duty specified in the Act.

Article 3 amends the definition of “petrol engine” in article 2 of the principal Order.

Article 4 amends article 3 of the principal Order such that in any case not provided for by the principal Order the rate of excise duty in respect of a liquid which is subject to the charge to duty is the rate specified by the Act for unleaded petrol.

Article 5 amends article 4(2) of the principal Order such that where the rate prescribed by the principal Order in respect of a liquid was-

- (a) the rate specified by the Act for sulphur-free diesel, the rate now prescribed is the rate specified by the Act for heavy oil;
- (b) the rate specified by the Act for light oil other than ultra low sulphur petrol and sulphur-free petrol, the rate now prescribed is the rate specified by the Act for unleaded petrol; and
- (c) the rate specified by the Act for sulphur-free petrol, the rate now prescribed is the rate specified by the Act for unleaded petrol.

Article 6 amends article 4(3) of the principal Order such that in the case of a liquid that is not suitable only as fuel for one of the categories of engine described in article 4(2) of the principal Order, where the rate prescribed by the principal Order was the rate specified by the Act for light oil other than ultra low sulphur petrol and sulphur-free petrol, the rate now prescribed is the rate specified by the Act for unleaded petrol.

Article 7 amends article 5 of the principal Order such that-

- (a) in the case of a liquid that is a multi-purpose additive or extender (as defined in article 5(6) of the principal Order), where the rate specified by the Act was the rate for sulphur free petrol, the rate now prescribed is the rate specified by the Act for unleaded petrol; and
- (b) in the case of a liquid that is an additive or extender, but is not a multi-purpose additive or extender, where the rate specified by the Act was the rate for light oil other than ultra low sulphur petrol and sulphur-free petrol, the rate now prescribed is the rate specified by the Act for unleaded petrol.

An impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.

(1) Section 6(1A), which was inserted by the Finance Act 1997 (c.16), section 7(3), substituted by the Finance Act 2000 (c.17) and most recently amended by the Finance Act 2007(c.11), section 10(2), was substituted by a resolution passed by the House of Commons on 18th March 2008 under the Provisional Collection of Taxes Act 1968 (c.2), section 1. This resolution has temporary statutory effect as provided for by that section.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.