

SCHEDULES

SCHEDULE 6

AIRCRAFT AND BOAT FUEL, HEATING OIL AND FUEL USED FOR CERTAIN ENGINES

PART 2

HEAVY OIL USED FOR HEATING OR AS FUEL FOR CERTAIN ENGINES

Amendments of HODA 1979

- 24 HODA 1979 is amended as follows.
- 25 In section 11(1) (rebate on heavy oil), for “13, 13AA and 13AB below” substitute “12(1), 13ZA and 13AA(1)”.
- 26 In section 12(2) (rebated heavy oil not to be used as fuel for road vehicles), after “above or” insert “section 13ZA or”.
- 27 In the heading of section 13 (penalties for misuse of rebated heavy oil), for “**misuse of rebated heavy oil**” substitute “**contravention of section 12**”.
- 28 After that section insert—

“13ZA Rebate on certain heavy oil used for heating etc

- (1) This section applies if, on the delivery of heavy oil (other than kerosene) upon which rebate at the rate mentioned in section 11(1)(c) would otherwise be allowed, it is intended to use the heavy oil—
- for heating, or
 - as fuel for an engine.
- (2) Rebate is to be allowed on the heavy oil at the rate mentioned in section 11(1)(a) (rather than at the rate mentioned in section 11(1)(c)).
- (3) Nothing in this section applies in relation to heavy oil to which section 12(1) applies.

13ZB Restrictions on supply of certain heavy oil for heating etc

- (1) If a person supplies relevant heavy oil, having reason to believe that it will be put to a particular use that is a prohibited use—
- the Commissioners may assess the amount specified in subsection (3) as being excise duty due from the person (and may notify the person or the person’s representative accordingly), and
 - the supply of the heavy oil is conduct that attracts a penalty under section 9 of the Finance Act 1994 (civil penalties).

Status: This is the original version (as it was originally enacted).

- (2) Subsection (1) does not apply in relation to a quantity of relevant heavy oil if (before the time of supply) the amount specified in subsection (3) has been paid to the Commissioners, in accordance with regulations, in respect of it.
- (3) The amount is—

QxRRFO

where—

Q is the quantity (in litres) of the relevant heavy oil, and
 RRFO is the rate for rebated fuel oil at the time of payment.

- (4) For the purposes of subsection (3) the rate for rebated fuel oil at any time is—
- (a) the rate of duty under section 6(1A)(c) at that time, minus
 - (b) the rate of rebate allowable under section 11(1)(a) at that time.
- (5) In this section—
- “prohibited use” means—
- (a) use for heating, or
 - (b) use as fuel for an engine (except where such use would amount to use as fuel for a road vehicle),
- “regulations” means regulations under section 24(1) made for the purposes of this section, and
- “relevant heavy oil” means heavy oil, other than kerosene, upon which rebate at the rate mentioned in section 11(1)(c) has been allowed.
- (6) Nothing in this section applies to a person who supplies relevant heavy oil for re-processing.”

- 29 In section 20AAA(6)(b) (mixing of rebated oil), before “13AA” insert “13ZA or”.
- 30 In section 20AA(1) (power to allow reliefs), after “12(2)” (in both places) insert “, 13ZB(2)”.
- 31 In section 24(2) (control of use of duty-free and rebated oil), after “12(2),” insert “13ZB(2),”.
- 32 In section 27(1) (interpretation), in the definition of “rebate”, after “11,” insert “13ZA,”.

Amendments of FA 1994

- 33 FA 1994 is amended as follows.
- 34 In section 12A(3)(c) (other assessment relating to excise duty matters), after “13,” insert “13ZB,”.
- 35 In section 12B(2)(f) (section 12A: supplementary provisions), after “13,” insert “13ZB,”.
- 36 In section 14(1)(ba) (requirement for review of a decision), after “13,” insert “13ZB,”.

Commencement

37 The amendments made by this Part of this Schedule come into force on 1 November 2008.