

2002 No. 3057

CUSTOMS AND EXCISE

**The Hydrocarbon Oil (Registered Dealers in Controlled Oil)
Regulations 2002**

<i>Made</i> - - - -	<i>11th December 2002</i>
<i>Laid before Parliament</i>	<i>11th December 2002</i>
<i>Coming into force</i>	<i>1st January 2003</i>

The Commissioners of Customs and Excise, in exercise of the powers conferred upon them by sections 100G and 100H of the Customs and Excise Management Act 1979(a), sections 23B and 24AA of the Hydrocarbon Oil Duties Act 1979(b), and of all other powers enabling them in that behalf, hereby make the following regulations:

Citation and commencement

1. These Regulations may be cited as the Hydrocarbon Oil (Registered Dealers in Controlled Oil) Regulations 2002 and come into force on 1st January 2003.

Interpretation

2. In these Regulations—

“the Oil Act” means the Hydrocarbon Oil Duties Act 1979;

“prescribe” means prescribe in a notice published by the Commissioners and not withdrawn by another notice;

“registered dealer in controlled oil” has the meaning given in regulation 4 below.

Unregulated controlled oil

3.—(1) Section 23A(1) and (4) of the Oil Act (regulation of traders in controlled oil) does not apply to controlled oil that is contained in a small pre-packaged container.

(2) In this regulation, “small pre-packaged container” means a closed container that contains not more than 20 litres of controlled oil.

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- (a) 1979 c.2; section 1(1) defines “the Commissioners” and “registered excise dealer and shipper”; sections 100G and 100H were inserted by the Finance Act 1991 (c.31), Schedule 4; section 100H was amended by the Finance (No. 2) Act 1992 (c.48), Schedule 1, paragraph 6 and Schedule 2, paragraph 4 and by the Finance Act 2002 (c.23), Schedule 3, paragraph 2.
- (b) 1979 c.5; section 27(1) defines “controlled oil”, “the Management Act” and “rebate”; section 27(2) provides for the Hydrocarbon Oil Duties Act 1979 to be construed as one with the Customs and Excise Management Act 1979 (c.2) and section 27(3) applies the definition of “the Commissioners” in that Act; sections 23B and 24AA were inserted by, and section 27(1) and (3) was amended by the Finance Act 2002 (c.23), Schedule 3, paragraphs 1, 3 and 4; section 27(3) was amended by the Finance Act 1985 (c.54), Schedule 4, paragraph 3 and by the Finance Act 1997 (c.16), Schedule 6, paragraph 6(7).

Registered dealers in controlled oil

4.—(1) For the purposes of section 100G of the Management Act, the Commissioners may approve any person who intends to buy, sell, or deal in controlled oil and register him as a registered excise dealer and shipper in accordance with section 100G(2) of that Act.

(2) A person who has been so approved and registered shall be known as a registered dealer in controlled oil.

Conditions of approval and registration

5.—(1) A registered dealer in controlled oil must give notice to the Commissioners of any change, or prospective change, in the information that he was required to furnish in his application for registration.

(2) A notice given under paragraph (1) above must be given—

- (a) without delay, but in any event within 30 days of the change, and
- (b) in such form and manner as the Commissioners may require.

(3) The approval and registration of registered dealers in controlled oil shall, in addition to any conditions or restrictions imposed on them by the Commissioners under section 100G(4) of the Management Act, be subject to such conditions as the Commissioners may prescribe.

Cessation of trade

6.—(1) A registered dealer in controlled oil who intends to cease the buying, selling, or dealing in controlled oil must notify the Commissioners without delay.

(2) A registered dealer in controlled oil who intends to cease the buying, selling, or dealing in controlled oil or who has ceased to be a registered dealer in controlled oil must dispose of his stock of controlled oil in such manner as the Commissioners allow.

(3) Section 23A(1) and (4) of the Oil Act (regulation of traders in controlled oil) does not apply to controlled oil in the possession of a person who has ceased to be a registered dealer in controlled oil if that oil is, within 30 days of that cessation, disposed of in such manner as the Commissioners allow in accordance with paragraph (2) above.

(4) Without prejudice to paragraph (1) above, a registered dealer in controlled oil who has ceased to buy, sell, or deal in controlled oil must notify the Commissioners that he has so ceased within 7 days of cessation.

Security

7. The Commissioners may require any registered dealer in controlled oil to give such security for amounts that may become due from him by way of repayment of rebate by such means as they prescribe.

Privileges, conditions and restrictions

8.—(1) A registered dealer in controlled oil is entitled to carry on a trade or business that consists of or includes the dealing in, buying or selling of controlled oil to which section 23A(1) of the Oil Act applies.

(2) When buying, selling, loading, unloading, delivering, moving or holding controlled oil a registered dealer in controlled oil must comply with any conditions or restrictions that the Commissioners may prescribe.

Returns and information

9.—(1) Registered dealers in controlled oil must make returns concerning their dealing in, buying and selling of controlled oil, at such time, in such form and manner, and containing such particulars as the Commissioners prescribe.

(2) When such information as the Commissioners, for this purpose, prescribe comes to his attention, a registered dealer in controlled oil must, without delay, notify them of that information in such form and manner as they prescribe.

Guidance

10. For the purpose of determining whether a registered dealer in controlled oil has—

- (a) contravened any provision of these Regulations, or
- (b) failed to comply with any condition, restriction, or requirement prescribed by the Commissioners under these Regulations,

the extent to which he has followed any current guidance issued by the Commissioners must be taken into account.

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11th December 2002

T D Byrne
Commissioner of Customs and Excise

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations come into force on 1st January 2003.

Amendments to the Hydrocarbon Oil Duties Act 1979 (c.5) and the Customs and Excise Management Act 1979 (c.2) came into force on 24th July 2002 for the purpose of regulating dealers in controlled oil. These Regulations provide the machinery for administering the scheme, in particular:

- by defining a “registered dealer in controlled oil” and the privileges to which he is entitled;
- by specifying conditions and restrictions, including obligations of a registered dealer in controlled oil, in relation to approval, registration and cessation of trade;
- by providing the Commissioners of Customs and Excise with the power to require security for amounts that may become due by way of repayment of rebate;
- by requiring returns and notification to the Commissioners of Customs and Excise of certain information; and
- by requiring that guidance the Commissioners of Customs and Excise issue be taken into account in determining whether a registered dealer in controlled oil has contravened any provision or failed to comply with any condition, restriction or requirement imposed by or under these Regulations.

A Regulatory Impact Assessment on the introduction of the scheme was published in April 2002 and is available from:

HM Customs and Excise
Tax Practice – Environmental Taxes (Oils)
3W Ralli Quays
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£1.75

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E1846 1/03 ON (MFK)