
STATUTORY INSTRUMENTS

2022 No. 234

The Hydrocarbon Oil Duties (Consequential Amendments and Transitional Provisions) Regulations 2022

PART 3

Transitional provisions

Vehicles other than road vehicles - forfeiture

9.—(1) Where—

- (a) heavy oil was taken as fuel into a vehicle at a time when it was not a road vehicle for the purposes of the Act, as it had effect before 1st April 2022;
- (b) the oil remains in the vehicle as part of its fuel supply on or after 1st April 2022;
- (c) the vehicle is not, or ceases to be, an excepted machine; and
- (d) regulation 10(2) does not apply to the oil,

the heavy oil is liable to forfeiture⁽¹⁾.

(2) In this regulation—

- (a) “heavy oil” has the meaning given in section 1(4) of the Act (hydrocarbon oil);
- (b) “excepted machine” has the meaning given in section 27(1) of the Act (interpretation)⁽²⁾.

Use of heavy oil or marked oil

10.—(1) The following provisions of the Act do not apply in relation to heavy oil or marked oil to which paragraph (2) or (4) applies—

- (a) section 12(2) (restriction on use of heavy oil as fuel for certain purposes);
- (b) section 13(6) (liability to forfeiture of certain heavy oil)⁽³⁾;
- (c) section 24A (penalties for misuse of marked oil)⁽⁴⁾.

(2) This paragraph applies to heavy oil or marked oil that—

- (a) was taken into a vehicle, vessel, machine or appliance in the United Kingdom before 1st April 2022 in accordance with the law of the place in the United Kingdom where it was taken in;
- (b) was not used at any time before 1st April 2022 other than—
 - (i) as fuel for that vehicle, vessel, machine or appliance; and
 - (ii) in a way that was in accordance with the law of the place where it was used; and

⁽¹⁾ See section 139 of the Customs and Excise Management Act 1979 (c. 2).

⁽²⁾ The definition of “excepted machine” was inserted by paragraph 20 of Schedule 21 to FA 2021 (c. 26).

⁽³⁾ Section 13(6) was amended by paragraph 6 of Schedule 21 to FA 2021 and paragraph 3 of Schedule 11 to FA 2022.

⁽⁴⁾ Section 24A was inserted by section 7 of FA 1996 and amended by paragraph 21 of Schedule 5 to FA 2008, paragraph 19 of Schedule 21 to FA 2021, paragraph 7 of Schedule 11 to FA 2022 and S.I. 2015/664.

- (c) is not used on or after 1st April 2022 other than—
 - (i) as fuel for that vehicle, vessel, machine or appliance; and
 - (ii) in a way that would be in accordance with the law of the place where it is used if the relevant provisions had not come into force.
- (3) The relevant provisions are any provisions of—
 - (a) Schedule 21 to the Finance Act 2021⁽⁵⁾;
 - (b) Part 1 of Schedule 11 to the Finance Act 2022⁽⁶⁾.
- (4) This paragraph applies to heavy oil or marked oil that is held by a person who obtained it before 11th June 2021 for use in stand-by power generation or for use as fuel for critical equipment (including when it is used by that person for that purpose).
- (5) For the purposes of paragraph (4)—
 - (a) stand-by power generation is any method of powering equipment in the event that the main power supply for that equipment ceases to be available;
 - (b) equipment is critical if it is needed to ensure continuous use or availability of an essential or critical service including (amongst other things)—
 - (i) protecting national security;
 - (ii) emergency services and law enforcement;
 - (iii) health services;
 - (iv) the supply of water, fuel and power;
 - (v) protecting the welfare of livestock and other animals.
- (6) In this regulation—
 - (a) “heavy oil” has the meaning given in section 1(4) of the Act (hydrocarbon oil);
 - (b) “marked oil” has the meaning given in section 24A(2) of the Act (penalties for misuse of marked oil).

Reliefs for Electricity Generation

11.—(1) For the purposes of the Hydrocarbon Oil Duties (Relief for Electricity Generation) Regulations 2005 (“the reliefs regulations”)—

- (a) heavy oil to which paragraph (2) applies is to be treated as if it were qualifying oil; and
 - (b) bioblend to which paragraph (3) applies is to be treated as if it were qualifying bioblend.
- (2) This paragraph applies to heavy oil charged with a duty of excise under section 6(1) of the Act on whose delivery for home use a rebate has been allowed under section 11(1), 13ZA or 13AA of the Act that—
- (a) was obtained before 11th June 2021 by the person who used it; or
 - (b) was—
 - (i) obtained on or after 11th June 2021 by the person who used it; and
 - (ii) before 1st April 2022, taken into a machine for one of the purposes specified in regulation 3(1) of the reliefs regulations.
- (3) This paragraph applies to bioblend charged with a duty of excise under section 6AB of the Act on whose delivery for home use a rebate has been allowed under section 14B of the Act that—
- (a) was obtained before 11th June 2021 by the person who used it; or

⁽⁵⁾ Schedule 21 was amended by paragraph 10 of Schedule 11 to FA 2022.

⁽⁶⁾ 2022 c. 3.

- (b) was—
 - (i) obtained on or after 11th June 2021 by the person who used it; and
 - (ii) before 1st April 2022, taken into a machine for one of the purposes specified in regulation 3(1) of the reliefs regulations.
- (4) Where paragraph (2) or (3) applies, the reliefs regulations apply as if Schedule 2 were not substituted by regulation 8(3) of these Regulations.