



Hydrocarbon Oil Duties Act 1979

1979 CHAPTER 5

^{F1}Mixing: adjustment of duty

Textual Amendments

- F1** Ss. 20A, 20AA inserted by [Finance Act 1985 \(c. 54, SIF 40:1\)](#), s. 7(2), [Sch. 4 para. 2](#) and [Finance Act 1989 \(c. 26, SIF 40:1\)](#), s. 2(1) respectively

^{F2}20A Mixing: adjustment of duty.

- (1) In this section “new oil” means hydrocarbon oil which after it has been charged under section 6 above as oil of one description becomes oil of a different description as a result of approved mixing in a pipe-line with other hydrocarbon oil which has been so charged; and “approved mixing” has the meaning given by subsection (5) below.
- (2) Where the Commissioners are of the opinion that, if the new oil had fallen to be charged under section 6 above as oil of the different description, the amount of duty would have been greater or less than that actually charged, then—
 - (a) if in their opinion the amount would have been greater, they may charge under this section a duty of excise on the oil of an amount equal to the difference, and
 - (b) if in their opinion the amount would have been less, they may make under this section an allowance equal to the difference.
- (3) In determining the amount of duty which would have been charged if the new oil had fallen to be charged under section 6 above as oil of the different description, the rates to be applied are those effective at the time when in the Commissioners’ opinion the oil became oil of the different description.
- (4) Where the Commissioners have made a charge or allowance under subsection (2) above, then, for the purposes of this Act, any relief or rebate which was permitted or allowed at the time of the charge under section 6 above shall be disregarded.
- (5) The Commissioners may make regulations—

Status: Point in time view as at 01/09/2006.

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- (a) enabling them to grant to persons (whether individually or of a specified class) permission to mix in a pipe-line different descriptions of hydrocarbon oil (whether generally or in the case of specified descriptions only), and to withdraw permission for reasonable cause;
 - (b) enabling permission to be granted subject to conditions and conditions to be varied for reasonable cause,
- and in this section “approved mixing” means mixing in accordance with permission under the regulations.
- (6) The Commissioners may make regulations—
- (a) for prescribing the method of charging the duty under this section;
 - (b) for determining the form of the allowance under this section (which may be by way of repayment or otherwise) and the time the allowance may be made.
- (7) Regulations under this section may make different provision for different circumstances.

Textual Amendments

F2 Ss. 20A, 20AA inserted by Finance Act 1985 (c. 54, SIF 40:1), s. 7(2), **Sch. 4 para. 2** and Finance Act 1989 (c. 26, SIF 40:1), **s. 2(1)** respectively

Mixing of rebated oil.

F3 **F4** **20AAA**

- (1) A duty of excise shall be charged on a mixture which is—
- (a) produced by mixing fully rebated heavy oil with heavy oil which is not fully rebated, and
 - (b) supplied for use as fuel for any engine, motor or other machinery.
- (2) A duty of excise shall be charged on a mixture which is—
- (a) produced by mixing partially rebated heavy oil with heavy oil which is not partially rebated, and
 - (b) supplied for use as fuel for any engine, motor or other machinery;
- but a mixture on which duty is charged under subsection (1) shall not be charged under this subsection.
- (3) A duty of excise shall be charged on a mixture which is produced by mixing—
- (a) fully or partially rebated heavy oil, with
 - (b) biodiesel or a substance containing biodiesel.
- (4) The rate of duty on a mixture under subsection (1) or (2) shall be—
- (a) in the case of a mixture supplied for use as fuel for a road vehicle, the rate of duty specified in section 6(1A)(d) (general rate for heavy oil), and
 - (b) in any other case, equivalent to the rate of rebate specified in section 11(1)(b) (general rate for gas oil).
- (5) The rate of duty on a mixture under subsection (3) shall be the rate of duty specified in section 6(1A)(d).
- (6) For the purposes of this section—

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- (a) oil is fully rebated if a rebate has been allowed in respect of it under section 11(1)(c) (general rebate for heavy oil),
 - (b) oil is partially rebated if a rebate has been allowed in respect of it under any other provision of section 11 or under section 13AA, and
 - (c) a reference to mixing is a reference to non-approved mixing (within the meaning given by section 20A(5)).
- (7) The person liable to pay duty charged under this section on supply or production of a mixture is the person supplying or producing the mixture.
- (8) Where duty under a provision of this Act has been paid on an ingredient of a mixture, the duty charged under this section shall be reduced by the amount of any duty that the Commissioners are satisfied has been paid on the ingredient (but not to a negative amount).
- (9) The Commissioners may exempt a person from liability to pay duty under any provision of this Act in respect of production or supply of a mixture of a kind described in subsection (1)(a), (2)(a) or (3) if satisfied that—
- (a) the liability was incurred accidentally, and
 - (b) in the circumstances the person should be exempted.]]

Textual Amendments

- F3** Ss. 20AAA, 20AAB inserted (15.11.1996) by [1996 c. 8, s. 6\(3\)](#); [S.I. 1996/2751, art. 2](#)
- F4** S. 20AAA substituted (with effect in accordance with s. 9(4)(5) of the amending Act) by [Finance Act 2004 \(c. 12\), s. 9\(1\)](#)

^{F5}**20AAB**Mixing of rebated oil: supplementary.

- [^{F6}(1) A person who supplies or produces a mixture on which duty is charged under section 20AAA above must notify the Commissioners of the supply or production—
- (a) in advance, or
 - (b) within the period of seven days beginning with the date of supply or production.]

^{F6}(2)

- (3) Notification under subsection (1) ^{F7}... above must be given in such form and in such manner, and must contain such particulars, as the Commissioners may direct.
- (4) Subject to subsection (7) below, where it appears to the Commissioners—
- (a) that a person has produced or supplied a mixture on which duty is charged under section 20AAA above, and
 - (b) that he is the person liable to pay the duty,
- they may assess the amount of duty due from him to the best of their judgement and notify that amount to him or his representative.
- (5) An assessment under subsection (4) above shall be treated as if it were an assessment under section 12(1) of the ^{M1}Finance Act 1994.
- (6) The Commissioners may give a direction that a person who is, or expects to be, liable to pay duty charged under section 20AAA above—

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- (a) shall account for duty charged under that section by reference to such periods (“accounting periods”) as may be determined by or under the direction;
 - (b) shall make, in relation to accounting periods, returns in such form and at such times and containing such particulars as may be so determined;
 - (c) shall pay duty charged under that section at such times and in such manner as may be so determined.
- (7) The power to make an assessment under subsection (4) above does not apply in relation to a person who is for the time being subject to a direction under subsection (6) above.
- (8) Where any person—
- (a) fails to give a notification which he is required to give under subsection (1) above, or
 - (b) fails to comply with a direction under subsection (6) above,
- his failure shall attract a penalty under section 9 of the ^{M2}Finance Act 1994 (civil penalties).

Textual Amendments

- F5** Ss. 20AAA, 20AAB inserted (15.11.1996) by 1996 c. 8, s. 6(3); S.I. 1996/2751, art. 2
- F6** S. 20AAB(1) substituted for s. 20AAB(1)(2) (with effect in accordance with s. 9(4) of the amending Act) by Finance Act 2004 (c. 12), s. 9(2)(a)
- F7** Words in s. 20AAB(3) repealed (with effect in accordance with s. 9(4) of the amending Act) by Finance Act 2004 (c. 12), s. 9(2)(b), Sch. 42 Pt. 1(1)

Marginal Citations

- M1** 1994 c. 9.
- M2** 1994 c. 9.

^{F8}20AA Power to allow reliefs.

- (1) The Commissioners may make regulations allowing reliefs as regards—
- (a) any duty of excise which has been charged in respect of hydrocarbon oil, ^{F9} . . . , or road fuel gas;
 - (b) any amount which has been paid to the Commissioners under section 12(2) above;
 - (c) any amount which would (apart from the regulations) be payable to the Commissioners under section 12(2) above.
- (2) The regulations may include such provision as the Commissioners think fit in connection with allowing reliefs, and in particular may—
- (a) provide for relief to take the form of a repayment or remission [^{F10}or an allowance to be set off against duty payable to the Commissioners by the person claiming relief];
 - (b) provide for relief to be allowed in cases or classes of case set out in the regulations;
 - (c) provide for relief to be allowed to the extent set out in the regulations;
 - (d) provide for relief to be allowed subject to conditions imposed by the regulations;

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- (e) provide for relief to be allowed subject to such conditions as the Commissioners may impose on the person claiming relief;
 - (f) provide for the taking of samples of hydrocarbon oil in order to ascertain whether relief should be allowed or has been properly allowed;
 - (g) make provision as to administration (which may include provision requiring the making of applications for relief);
 - [provide for oil on which relief is allowed to be treated for the purposes of this Act as oil on which a rebate has been allowed;]
 - ^{F11}(ga)
 - (h) make different provision in relation to different cases or classes of case;
 - (i) include such supplementary, incidental, consequential or transitional provisions as appear to the Commissioners to be necessary or expedient.
- (3) The conditions which may be imposed as mentioned in subsection (2)(d) or (e) above may include conditions as to the physical security of premises, the provision (by bond or otherwise) of security for payment, or such other matters as the Commissioners think fit.
- (4) Where a person contravenes or fails to comply with any regulation made under this section or any condition imposed by or under such a regulation—
- [his contravention or failure to comply shall attract a penalty under section 9
 - ^{F12}(a) of the Finance Act 1994 (civil penalties); and]
 - (b) any goods in respect of which the contravention or failure occurred shall be liable to forfeiture.
- (5) A reference in this section to a duty of excise includes a reference to any addition to such duty by virtue of section 1 of the Excise Duties (Surcharges or Rebates) Act 1979.
- (6) Schedule 5 to this Act shall have effect with respect to any sample of hydrocarbon oil taken in pursuance of regulations made under this section.]

Textual Amendments

- F8** Ss. 20A and 20AA inserted by Finance Act 1985 (c. 54, SIF 40:1), s. 7(2), **Sch. 4 para. 2** and Finance Act 1989 (c. 26, SIF 40:1), **s. 2(1)** respectively
- F9** Words in s. 20AA(1)(a) repealed (1.12.1995) by 1993 c. 34, ss. 11(5), 213, **Sch. 23 Pt. I**; S.I. 1995/2715, **art. 2**
- F10** Words in s. 20AA(2)(a) inserted (28.7.2000) by 2000 c. 17, **s. 10(3)(a)**
- F11** S. 20AA(ga) inserted (28.7.2000) by 2000 c. 17, **s. 10(3)(b)**
- F12** S. 20AA(4)(a) substituted (1.1.1995) by 1994 c. 9, s. 9, **Sch. 4 Pt. III para. 54** (with s. 19(3)); S.I. 1994/2679, **art. 3**

Modifications etc. (not altering text)

- C1** S. 20AA(1)(a) modified (1.9.2004) by The Biofuels and Other Fuel Substitutes (Payment of Excise Duties etc.) Regulations 2004 (S.I. 2004/2065), regs. 1(1), **3(1)(c)**, (3)

[^{F13}20AB Power to allow reliefs for fuel testing etc

- (1) The Commissioners may by regulations make provision allowing reliefs as regards excise duty charged in respect of experimental fuel where—
- (a) the fuel is, or is to be, used for the purposes of a fuel-testing project that is approved by the Commissioners,

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- (b) the project is approved for the purposes of the development of the fuel (see subsection (8)(a) below), and
 - (c) the use takes place, or is to take place, during the period that, for the purposes of the project, is the relief period for the fuel (see subsection (8)(b) below).
- (2) In this section “experimental fuel” means a substance of a description specified in regulations made by the Commissioners.
- (3) For each experimental fuel, the Commissioners shall by regulations make provision specifying—
 - (a) the beginning and end of the period that is the experimental period for that fuel; and
 - (b) the form that (subject to any directions under subsection (9)(a) below) is to be taken by relief under this section as regards excise duty chargeable on that fuel.
- (4) A form of relief specified under subsection (3)(b) above must be an authorised form; and for the purposes of this section “an authorised form” is—
 - (a) a repayment, or
 - (b) a rebate (or extra rebate).
- (5) Relief under this section shall be allowed—
 - (a) to the extent specified in, or determined in accordance with, regulations under subsection (1) above, and
 - (b) subject to—
 - (i) such conditions as the Commissioners may impose, and
 - (ii) any directions under subsection (9)(b) below.
- (6) The conditions that may be imposed under subsection (5)(b)(i) above include, in particular, conditions in connection with—
 - (a) the collection, keeping, compilation or analysis, or
 - (b) the supply to the Commissioners or other persons,of data, or information, relating to the production, use or performance of an experimental fuel.
- (7) Subsections (8) and (9) below apply where the Commissioners have approved a fuel-testing project.
- (8) The Commissioners shall give directions specifying—
 - (a) each experimental fuel for the purposes of whose development the project is approved;
 - (b) for each fuel specified under paragraph (a) above, the beginning and end of the period that, for the purposes of the project, is (in accordance with subsection (10) below) the relief period for the fuel; and
 - (c) any conditions imposed under subsection (5)(b)(i) above that apply to the allowance under this section of relief as regards excise duty chargeable in respect of an experimental fuel used, or to be used, for the purposes of the project.
- (9) The Commissioners may give directions—
 - (a) providing for relief as regards excise duty chargeable in respect of an experimental fuel used, or to be used, for the purposes of the project to take an authorised form different to the form specified under subsection (3)(b) above;

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- (b) as to administration in connection with allowing reliefs under this section as regards excise duty chargeable in respect of an experimental fuel used, or to be used, for the purposes of the project.
- (10) For the purposes of subsection (8)(b) above—
- (a) the beginning of the relief period for a fuel may not be earlier than the beginning of the experimental period for that fuel; and
 - (b) the end of the relief period for a fuel may not be later than the end of the experimental period for that fuel.
- (11) In this section—
- “excise duty” means—
 - (a) excise duty chargeable by virtue of this Act, or
 - (b) any addition to such duty by virtue of section 1 of the Excise Duties (Surcharges or Rebates) Act 1979 (c. 8);
 - “fuel-testing project” means a pilot project connected with the technological development of environment-friendly fuels.
- (12) Regulations under this section may make different provision for different cases.]

Textual Amendments

F13 S. 20AB inserted (11.5.2001) by 2001 c. 9, s. 3(1)

Status:

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Changes to legislation:

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