



# Finance Act 2008

## 2008 CHAPTER 9

### PART 1

#### CHARGES, RATES, ALLOWANCES, RELIEFS ETC

##### *Fuel duties*

### **13 Rates and rebates: simplification**

- (1) HODA 1979 is amended as follows.
- (2) In section 1 (hydrocarbon oil), omit—
  - (a) subsections (3A) and (3B),
  - (b) in subsection (3C), “; and petrol is “leaded petrol” if it is not unleaded petrol”, and
  - (c) subsections (6) and (7).
- (3) In section 6 (hydrocarbon oil: rates of duty), for subsection (1A) substitute—

“(1A) The rates are—

  - (a) £0.5035 a litre in the case of unleaded petrol,
  - (b) £0.6007 a litre in the case of light oil other than unleaded petrol, and
  - (c) £0.5035 a litre in the case of heavy oil.”
- (4) In section 6AB(5) (duty on bioblend), omit the words from “of the description” to the end.
- (5) In section 11(1) (rebate on heavy oil), omit—
  - (a) in paragraph (b), “which is not ultra low sulphur diesel”, and
  - (b) paragraph (ba).
- (6) In section 13AA(6) (restrictions on use of rebated kerosene), omit “which is not ultra low sulphur diesel or sulphur-free diesel”.
- (7) Omit section 13A (rebate on unleaded petrol).

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*Status: This is the original version (as it was originally enacted).*

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- (8) In section 20AAA(4)(a) (mixing of rebated oil), for “section 6(1A)(d)” substitute “section 6A(1A)(c)”.
- (9) In section 27(1) (interpretation)—
- (a) in the definition of “rebate”, omit “13A,”,
  - (b) omit the definitions of “sulphur-free diesel”, “sulphur-free petrol”, “ultra low sulphur diesel” and “ultra low sulphur petrol”, and
  - (c) for “and “leaded petrol” have” substitute “has”.
- (10) In Article 21(7) of the Renewable Transport Fuel Obligations Order 2007 ([S.I.2007/3072](#)), for “sulphur-free petrol” substitute “unleaded petrol”.
- (11) In consequence of this section, omit—
- (a) in FA 1987, section 1(2) and (3),
  - (b) in FA 1997, section 7(5)(a) and (b) and (8)(b),
  - (c) in FA 2000, section 5(3),
  - (d) in FA 2001, section 2(1), and
  - (e) in FA 2004, section 7(2), (5) to (7) and (8)(a).
- (12) The amendments made by this section are treated as having come into force on 1 April 2008.

#### **14 Biodiesel and bioblend**

Schedule 5 contains provision about biodiesel and bioblend.

#### **15 Rates and rebates: increase from 1 October 2008**

- (1) HODA 1979 is amended as follows.
- (2) In section 6(1A) (main rates)—
- (a) in paragraph (a) (unleaded petrol), for “£0.5035” substitute “£0.5235”,
  - (b) in paragraph (b) (light oil other than unleaded petrol), for “£0.6007” substitute “£0.6207”, and
  - (c) in paragraph (c), (heavy oil), for “£0.5035” substitute “£0.5235”.
- (3) In section 6AA(3) (rate of duty on biodiesel), for “£0.3035” substitute “£0.3235”.
- (4) In section 6AD(3) (rate of duty on bioethanol), for “£0.3035” substitute “£0.3235”.
- (5) In section 8(3) (road fuel gas)—
- (a) in paragraph (a) (natural road fuel gas), for “£0.1370” substitute “£0.1660”, and
  - (b) in paragraph (b) (other road fuel gas), for “£0.1649” substitute “£0.2077”.
- (6) In section 11(1) (rebate on heavy oil)—
- (a) in paragraph (a) (fuel oil), for “£0.0929” substitute “£0.0966”, and
  - (b) in paragraph (b) (gas oil), for “£0.0969” substitute “£0.1007”.
- (7) In section 14(1) (rebate on light oil for use as furnace fuel), for “£0.0929” substitute “£0.0966”.
- (8) In section 14A(2) (rebate on certain biodiesel), for “£0.0969” substitute “£0.1007”.

(9) The amendments made by this section come into force on 1 October 2008.

## **16 Fuel for aircraft and boats, heating oil and fuel for certain engines**

(1) In section 6(1A) of HODA 1979 (main rates)—

(a) after paragraph (a) insert—

“(aa) £0.3103 a litre in the case of aviation gasoline,” and

(b) in paragraph (b), after “petrol” insert “or aviation gasoline”.

(2) The amendments made by subsection (1) come into force on 1 November 2008.

(3) Schedule 6 contains—

(a) in Part 1, provision consequential on subsection (1) and provision about fuel used for private pleasure-flying or private pleasure craft, and

(b) in Part 2, provision about certain heavy oil used for heating or as fuel for certain engines.