



# Finance Act 1950

## 1950 CHAPTER 15

### PART I

#### CUSTOMS, EXCISE AND PURCHASE TAX

##### *Hydrocarbon oils, etc.*

## 2 Hydrocarbon oils (excise)

- (1) Subject to the provisions of this section—
- (a) there shall be charged on any hydrocarbon oils to which this section applies a duty of excise at the rate at which the duty of customs on hydrocarbon oils is for the time being chargeable under section two of the Finance Act, 1928, less ninepence a gallon or such other amount per gallon as may from time to time be directed by order of the Treasury.; and
  - (b) in the case of oils other than light oils, there shall be allowed from that duty a rebate, at the rate for the time being in force for the duty, on any oils charged with the duty and not excluded from rebate by section two of the Finance Act, 1935 (which relates to oils used as road fuel).
- (2) This section shall apply to hydrocarbon oils produced in the United Kingdom, if so produced on or after the relevant date or if stored on or after the relevant date in a refinery or on other premises in the United Kingdom used for the production of hydrocarbon oils or on premises containing any bonded storage for hydrocarbon oils:
- Provided that it shall not apply—
- (a) to oils on which a duty of customs is chargeable under section two of the Finance Act, 1928; or
  - (b) to any such oils as are exempted from that duty by subsection (5) of section six of the Finance Act, 1933 (which relates to solid or semi-solid substances).
- (3) The duty under this section and any rebate from that duty shall be charged or allowed in the case of any oils when they are first (on or after the relevant date) either—

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- (a) delivered for home consumption from a refinery or from other premises used for the production of hydrocarbon oils or from premises containing any bonded storage for hydrocarbon oils ; or
  - (b) removed to a refinery which it appears to the Commissioners is not primarily used for the production of hydrocarbon oils and which is for the time being specified in a direction given by the Commissioners for this purpose; or
  - (c) used in a refinery in such circumstances that an allowance is payable in respect thereof under subsection (4) of section eight of the Finance (No. 2) Act, 1945;
- and shall be charged or allowed according to the quantity so delivered or removed or the quantity treated for the purposes of the said section eight as so used, as the case may be.
- (4) In the enactments mentioned in the First Schedule to this Act references to the customs duty on hydrocarbon oils under section two of the Finance Act, 1928, to drawback of 'that duty and to rebate under subsection (3) of that section shall respectively include references to the duty under this section, to drawback thereof and to rebate under this section, and in section two of the Finance Act, 1935, after the words " bill of entry " in subsection (2) there shall be inserted the words " or home consumption warrant " and the words " in the case of imported oils " in subsection (4) shall be omitted.
- (5) The Commissioners may by statutory instrument make regulations—
- (a) for prohibiting the production of hydrocarbon oils or any description thereof except by a person holding a licence, and for requiring premises used for the production of any such oils to be entered with the Commissioners ; and
  - (b) for fixing the date of expiration of any such licence; and
  - (c) for regulating (with a view to securing the collection of any duty under this section) the production, storage and warehousing of hydrocarbon oils or any description thereof, and the removal of any such oils to or from premises used for the production of any such oils; and
  - (d) for relieving from the duty under this section oils intended for exportation or shipment as stores ; and
  - (e) generally for securing and collecting the duty under this section;
- and may by the regulations apply to the duty and drawback under this section and to producers of hydrocarbon oils or any description thereof any enactments relating to any duty or drawback of excise or customs and to persons carrying on any trade subject to the law of excise.
- (6) If any person acts in contravention of, or fails to comply with, any regulations made under this section he shall be liable at the option of the Commissioners either to an excise penalty equal to three times the value of the goods in respect of which the offence was committed (including the full amount of the duty, if any, chargeable thereon) or to an excise penalty of one hundred pounds, and the goods in respect of which the offence was committed shall be forfeited.
- (7) The power of the Treasury to make orders under subsection (1) of this section shall be exercisable by statutory instrument, which shall be laid before the Commons House of Parliament after being made and,—
- (a) if it increases the rate of duty under this section, shall cease to have effect on the expiration of a period of twenty-eight days from the date on which it is made, unless at some time before the expiration of that period it has been approved by a resolution of that House (but without prejudice to anything previously done thereunder or to the making of a new order); and

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- (b) if it does not increase the rate of duty under this section, shall be subject to annulment in pursuance of a resolution of that House.

In reckoning any such period of twenty-eight days as aforesaid no account shall be taken of any time during which Parliament is dissolved or prorogued or during which the Commons House is adjourned for more than four days.

- (8) For the purposes of this section—
  - (a) references to the production of hydrocarbon oils include references to—
    - (i) the obtaining of one description of hydrocarbon oils from another description thereof; and
    - (ii) the subjecting of hydrocarbon oils to any process of purification or blending ; as well as references to the obtaining of hydrocarbon oils from other substances or from any natural source, and any reference to producers of hydrocarbon oils shall be construed accordingly;
  - (b) the expressions " hydrocarbon oils ", " light oils " and " refinery " have the same meanings as in section two of the Finance Act, 1928.
- (9) This section shall have effect as from the nineteenth day of April, nineteen hundred and fifty, and references in this section to the relevant date refer to that day.