

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 1st January 2005, reduces the liability to duty on bioethanol where that duty is charged under section 6AD of the Hydrocarbon Oil Duties Act 1979 (c. 5) (“the Oil Act”). The effect of the deduction is that the liability to duty is 27.10 pence per litre instead of 28.52 pence per litre.

Before 1st January 2005, bioethanol could be charged to duty under section 6A of the Oil Act. This Order has no effect in relation to that liability to duty.

A full regulatory impact assessment has not been produced for this instrument, as it has no impact on the costs of business, charities or voluntary bodies.