
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which come into force on 1st March 2007, are made under the powers conferred on the Commissioners for Her Majesty's Revenue and Customs by section 20AB of the Hydrocarbon Oil Duties Act 1979. Section 20AB provides that the Commissioners may make regulations allowing relief from excise duty on experimental fuel within fuel testing projects approved by them. These projects must be connected with the technological development of more environmentally friendly fuels. Section 20AB provides that the Commissioners may impose conditions and give directions in connection with such relief, which they are doing separately.

Regulation 3 describes the fuel (biomix) that will be subject to the relief and regulation 4 sets out the period for which the relief will apply. Regulation 5 describes the form of the duty relief. The Schedule contains details of the project.

A full regulatory impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.