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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations, which come into force on 1st October 2008, provide for a partial relief from the excise duty charged on road fuel gas. The relief is allowed only in respect of road fuel gas that is charged with duty on or after that date.

The result of the application of the relief (which is provided in the form of a remission of part of the duty that is chargeable) is that the amount a person would otherwise be liable to pay in respect of excise duty on road fuel gas is reduced by the amounts specified in these Regulations: a person will therefore be liable to pay 13.70 pence per kilogram on natural road fuel gas and 16.49 pence per kilogram on other road fuel gas.

The rates of duty charged on road fuel gas are prescribed by section 8(3) of the Hydrocarbon Oil Duties Act 1979 (c. 5) (“the Oil Act”). Section 15(5) of the Finance Act 2008 (c.9) (“the Finance Act”) amended section 8(3) of the Oil Act so as to increase the rates of duty, with effect from 1st October 2008. The result of the application of the relief is that a person will pay the same amount as if section 15(5) of the Finance Act had not come into effect.

A full and final Impact Assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.