

Petroleum

Petroleum excise is levied on a variety of petroleum products including gasoline, diesel, kerosene, heating oil, fuel oil, condensate and stabilised crude used as fuel, topped crude petroleum oil, other refined or partly refined products, petroleum-based oils not used for fuel and fuel ethanol.

There are a variety of excise rates levied on petroleum products depending on their end use. Products used for fuel and in aviation will attract different rates to those used in burner, solvent or industrial applications.

Before 1 March 2001 excise rates on petroleum products had been adjusted in February and August each year, in line with movements in the consumer price index (CPI). However, since 1 August 2001, biannual indexation of excise rates no longer applied to refined petroleum products, other than oils and greases. (The change was introduced in March 2001, with effect from 1 August 2001.)

Excise rates applying to certain petroleum products during the 2002–03 financial year are shown in table 13.3.

Table 13.3: Excise rates on selected¹ petroleum products, 2002–03 financial year

Product	Rates
	\$/litre
Leaded petrol	0.40516
Unleaded petrol	0.38143
Diesel fuel	0.38143
Fuel oil	0.07557
Aviation kerosene	0.02845
Aviation gasoline	0.02808

1. Excise duty rates on these and other petroleum products are reported and updated on the Tax Office website (see the online document, *Excise duty rates*).

In 2002–03 around \$12.9 billion in excise was collected from refined petroleum products, an increase of 4% from the previous year (figure 13.2).

While there has been an overall increase in excise collected from refined petroleum, duty collections on leaded petrol decreased from \$1.2 million in 2001–02 to just \$1.0 million in 2002–03. The sale and use of leaded petrol is being phased out, and is being replaced at the bowser by lead replacement fuel.

Figure 13.2: Excise collected from petroleum products¹, 1994–95 to 2002–03 financial years

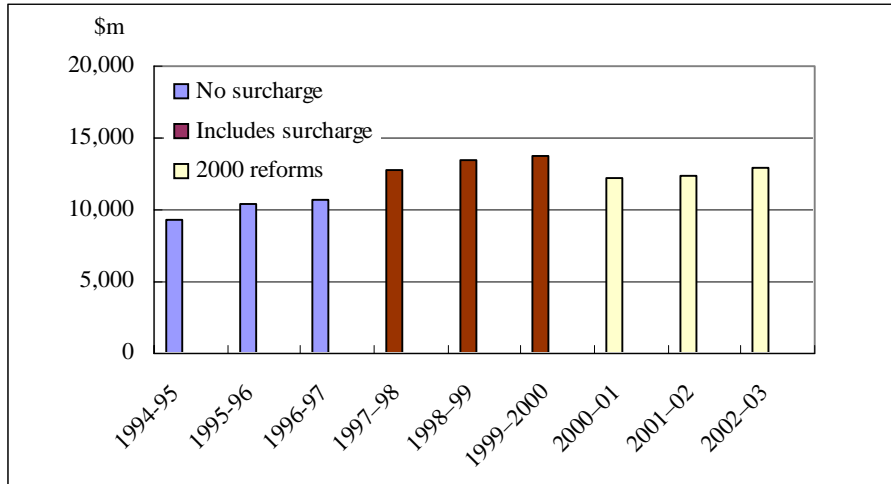


Figure 13.2 is a bar graph showing excise collected from petroleum products from the 1994–95 to 2002–03 financial years. Statistical data used to create the graph is found in the excise time series table (table 13.8) or excise detailed table 1.

1. An excise surcharge on tobacco and petroleum was introduced in 1997 to replace the various state business franchise fees previously levied on these products. Surcharges were no longer payable following the introduction of GST on 1 July 2000. Although excise collections for 2000–01 still include some surcharge payments, they relate to clearances made in June 2000.