



Excise (Volume of Liquid Fuels – Temperature Correction) Determination 2011 (No. 1)

Excise Act 1901

Under section 65 of the *Excise Act 1901* (Excise Act) I make the following determination:

Revocation of existing determination

1. *Excise (Volume of Fuels – Temperature Correction) Determination 2009 (No. 1)* (FRLI No. F2009L02547) is revoked.

Citation

2. This determination may be cited as the *Excise (Volume of Liquid Fuels – Temperature Correction) Determination 2011 (No. 1)*.

Legislative Instrument

3. This determination is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

Commencement

4. This determination commences on 1 December 2011.

Application

5. This determination applies to liquid fuel delivered for home consumption pursuant to section 61C of the Excise Act on or after the date of commencement.

Object

6. Under section 65 of the Excise Act, the CEO may determine rules for working out the volume of excisable goods including fuel.
7. These rules govern the volume of liquid fuel for the purposes of working out the amount of excise duty payable on such fuel.

Interpretation

8. In this determination:

accounting period means the 12 month period adopted for income tax purposes as provided by section 18 of the *Income Tax Assessment Act 1936*, or another period approved in writing by the CEO;

aggregated clearances means the volume of liquid transport fuels delivered for home consumption in the accounting period from a person's excise licensed establishments based on historical data, or the volume of liquid fuels reasonably expected to be delivered for home consumption in an accounting period if no historical data is available;

biodiesel means fuel that is manufactured by chemically altering vegetable oils or animal fats (including recycled oils from these sources) to form mono-alkyl esters;

CEO means the Commissioner of Taxation (see subsection 4(1) of the Excise Act);

excise licensed establishment means premises that are specified in an Excise licence issued pursuant to section 39A of the Excise Act;

fuel ethanol means denatured ethanol for use as fuel in an internal combustion engine;

liquid fuels means goods of a kind that fall within a classification in item 10 of the Schedule to the *Excise Tariff Act 1921* (the Schedule) excluding goods classified to sub-items 10.19A, 10.19B and 10.19C;

liquid transport fuels means gasoline (including that used in an aircraft), diesel, kerosene (for use in an aircraft), fuel oil, fuel ethanol, biodiesel and blends of gasoline or diesel; and

volume correction factor (VCF) means a figure that is used to convert a volume taken at ambient temperature to a volume at 15° Celsius.

Determining the volume of fuel

9. The volume of liquid fuel for working out the amount of excise duty payable must be determined at the time of delivery for home consumption using one of the permissible methods.
10. Permissible methods for determining the volume of fuel are:
 - a. Method 1 – depending on the type of liquid fuel, the use of the appropriate temperature correcting method as set out in sub-paragraphs 11(a) or 11(b) below to convert the volume of the fuel to 15° Celsius; or
 - b. Method 2 – measurement of volume at ambient temperature.
11. For the purposes of sub-paragraph 10(a), the appropriate temperature correcting method depends on the type of liquid fuel as follows:
 - a. For fuels classified to sub-items 10.5, 10.6, 10.7, 10.10, 10.11, 10.12, 10.17, 10.18, 10.21 and 10.30 of the Schedule - the use of the American Society for Testing and Materials (ASTM) *Petroleum Measurement Tables Volume Correction Factors, Volume VIII*, to convert the volume of the fuel to 15° Celsius; or
 - b. For fuel classifiable to sub-item 10.20 of the Schedule,
 - i. the use of the American Society for Testing and Materials (ASTM) *Petroleum Measurement Tables Volume Correction Factors, Volume VIII*, to convert the volume of the fuel ethanol to 15° Celsius wherein the density of the fuel ethanol is taken to be 785 kg/m³ at 15°C; or
 - ii. the use of the *Practical Alcohol Tables*, to convert the volume of the fuel ethanol to 20° Celsius and then multiplying the result with a conversion factor of 0.995 to convert the volume of fuel from 20° Celsius to 15° Celsius.



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12. A person who has aggregated clearances of liquid transport fuels exceeding 50,000 litres per accounting period must use Method 1 for all fuel other than fuel to which *Excise (Volume - recycled waste oil) Determination 2006 (No. 2)* applies.
13. A person who does not have aggregated clearances of liquid transport fuels exceeding 50,000 litres per accounting period and does not have a requirement on their periodic settlement permission to correct to 15° Celsius on all their liquid fuel clearances may use either Method 1 or 2 for all liquid fuel.
14. A person must use one Method for the duration of an accounting period, unless authorised in writing by the CEO to do otherwise.

Dated this 3rd day of November 2011

James O'Halloran

Deputy Commissioner of Taxation