

EXC 2016/5 -



Australian Government

Australian Taxation Office

Legislative Instrument

Fuel Tax (Fuel Blends) Determination 2016 (No.1)

I, Deborah Jenkins, Acting Deputy Commissioner of Taxation, make this determination under section 95-5 of the *Fuel Tax Act 2006* ('**Fuel Tax Act**').

Deborah Jenkins

Acting Deputy Commissioner of Taxation

Dated: 13/9/2016

Name of determination

1. This determination is the *Fuel Tax (Fuel Blends) Determination 2016 (No.1)*.

Commencement

2. This determination commences on the day after registration.

Repeal of previous determination

3. *Fuel Tax (Fuel blends) Determination 2006 (No.3)* (the previous determination) - F2006L02798, registered on 24 August 2006, is repealed on commencement of this determination.

Determination

4. This determination is a legislative instrument for the purposes of the *Legislation Act 2003* ('**Legislation Act**').
5. This determination applies to blends that are produced after commencement.

Object

6. Under section 95-5 of the *Fuel Tax Act*, the Commissioner of Taxation may determine that a blend of a fuel and another product does not constitute a fuel for the purposes of the *Fuel Tax Act*.

Where a blend is not a fuel

7. A blend of biodiesel classified to subitem 10.21 of the Schedule to the *Excise Tariff Act 1921* containing a minimum concentration of:
 - (a) 5.0% by volume of surfactant; or
 - (b) 2.0% by volume oleic acid;whether or not the blend contains other substances, is not a fuel for the purposes of the fuel tax law where the blend is not marketed or sold for use as fuel in an internal combustion engine.

8. A blend of a taxable fuel and another product or other products is not a fuel for the purposes of the fuel tax law where:
- (a) the blend is not marketed or sold for use as fuel in an internal combustion engine and
 - (b) it can be demonstrated that the blend contains either:
 - (i) a product listed in the Schedule at a concentration equal to or greater than the specified minimum; or
 - (ii) more than one product listed in the Schedule and the total concentration of those products is equal to or exceeds 10% by volume,whether or not the blend contains other substances.

Example

An entity produces the following blends and does not market or sell them for use as fuel in an internal combustion engine:

- (1) 90% toluene with 10% v/v methyl ethyl ketone
- (2) 90% toluene with 8% v/v methyl ethyl ketone and 2% v/v butanol (Other alcohol)
- (3) 92% toluene with 4% v/v methyl ethyl ketone and 4% v/v butanol (Other alcohol)

Under this determination, blends (1) and (2) do not constitute fuel for the purposes of the fuel tax law; blend (3) is a fuel for those purposes.

Definitions

10. The following expressions are defined for the purposes of this determination:

biodiesel has the meaning given by subsection 3(1) of the *Excise Tariff Act 1921*;

CAS registry number refers to the unique number allocated to the chemical substance in the registry of the Chemical Abstracts Service, a division of the American Chemical Society as they exist at the time of commencement of this determination;

taxable fuel means taxable fuel as defined in section 110-5 of the Fuel Tax Act but only if they are classified to subitem 10.25, 10.26, 10.27 or 10.28 of the Schedule to the *Excise Tariff Act 1921*;

v/v means volume to volume.



Schedule

Item	Product	CAS Registry Number	Minimum concentration % v/v
1	Tertiary butyl alcohol	75-65-0	0.5
2	Other alcohols (other than methanol, ethanol and isopropyl alcohol)	-	10.0
3	Ketones	-	10.0
4	Methyl tertiary butyl ether	1634-04-4	1.0
5	Di-isopropyl ether	108-20-3	1.0
6	Other ethers	-	10.0
7	Esters	-	10.0
8	Surfactants		1.0
9	Silicone Oils		2.0
10	Oleic Acid	112-80-1	2.0
11	Water	-	5.0