



Excise Tariff Amendment (Fuel Indexation) Act 2015

No. 101, 2015

**An Act to amend the law relating to excise tariffs,
and for related purposes**

Note: An electronic version of this Act is available in ComLaw (<http://www.comlaw.gov.au/>)

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Excise Tariff Amendment (Fuel Indexation) Act 2015

No. 101, 2015

An Act to amend the law relating to excise tariffs, and for related purposes

[Assented to 30 June 2015]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Excise Tariff Amendment (Fuel Indexation) Act 2015*.

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	30 June 2015
2. Schedule 1, Part 1	10 November 2014.	10 November 2014
3. Schedule 1, Part 2	31 January 2015.	31 January 2015
4. Schedule 1, Part 3	1 July 2015.	1 July 2015
5. Schedule 2	Immediately after the commencement of Schedule 1 to the <i>Excise Tariff Amendment (Ethanol and Biodiesel) Act 2015</i> .	1 July 2015

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Incorporation of Tariff Proposals

Part 1—Increase in fuel duty rates on 10 November 2014

Excise Tariff Act 1921

1 Subsection 6G(1) (method statement, step 3)

Omit “\$0.38143”, substitute “\$0.386”.

2 Schedule (cell at table subitem 10.1, column headed “Rate of Duty”)

Repeal the cell, substitute:

\$0.386 per litre

3 Schedule (cell at table subitem 10.2, column headed “Rate of Duty”)

Repeal the cell, substitute:

\$0.386 per litre

4 Schedule (cell at table subitem 10.3, column headed “Rate of Duty”)

Repeal the cell, substitute:

\$0.386 per litre

5 Schedule (cell at table subitem 10.5, column headed “Rate of Duty”)

Repeal the cell, substitute:

\$0.386 per litre

6 Schedule (cell at table subitem 10.10, column headed “Rate of Duty”)

Repeal the cell, substitute:

\$0.386 per litre

7 Schedule (cell at table subitem 10.15, column headed “Rate of Duty”)

Repeal the cell, substitute:
\$0.386 per litre

8 Schedule (cell at table subitem 10.16, column headed “Rate of Duty”)

Repeal the cell, substitute:
\$0.386 per litre

9 Schedule (cell at table subitem 10.18, column headed “Rate of Duty”)

Repeal the cell, substitute:
\$0.386 per litre

10 Schedule (cell at table subitem 10.19A, column headed “Rate of Duty”)

Repeal the cell, substitute:
\$0.101 per litre

11 Schedule (cell at table subitem 10.19B, column headed “Rate of Duty”)

Repeal the cell, substitute:
\$0.212 per kilogram

12 Schedule (cell at table subitem 10.19C, column headed “Rate of Duty”)

Repeal the cell, substitute:
\$0.212 per kilogram

13 Schedule (cell at table subitem 10.20, column headed “Rate of Duty”)

Repeal the cell, substitute:
\$0.386 per litre

14 Schedule (cell at table subitem 10.21, column headed “Rate of Duty”)

Repeal the cell, substitute:
\$0.386 per litre

15 Schedule (cell at table subitem 10.25, column headed “Rate of Duty”)

Repeal the cell, substitute:
\$0.386 per litre

16 Schedule (cell at table subitem 10.26, column headed “Rate of Duty”)

Repeal the cell, substitute:
\$0.386 per litre

17 Schedule (cell at table subitem 10.27, column headed “Rate of Duty”)

Repeal the cell, substitute:
\$0.386 per litre

18 Schedule (cell at table subitem 10.28, column headed “Rate of Duty”)

Repeal the cell, substitute:
\$0.386 per litre

19 Application of amendments

The amendments made by this Part apply to goods manufactured or produced in Australia on or after 10 November 2014 and to goods for which all the following conditions are met:

- (a) the goods were manufactured or produced in Australia before 10 November 2014;
- (b) on 10 November 2014, the goods either were subject to the CEO’s control, or were in the stock, custody or possession of, or belonged to, a manufacturer or producer of the goods;
- (c) no duty of excise had been paid on the goods before 10 November 2014.

Part 2—Indexation

Excise Tariff Act 1921

20 Section 6A (heading)

Repeal the heading, substitute:

6A Indexation of CPI indexed rates

21 Subsection 6A(1)

Omit “each rate of duty set out in item 1, 2 or 3 of the Schedule (each *alcohol duty rate*) is”, substitute “each CPI indexed rate is”.

22 Subsection 6A(1) (formula)

Repeal the formula, substitute:

$$\begin{array}{l} \text{CPI indexed rate} \\ \text{on the day before} \\ \text{the indexation day} \end{array} \times \begin{array}{l} \text{Indexation factor for} \\ \text{the indexation day} \end{array}$$

23 Subsection 6A(1) (note)

Repeal the note, substitute:

Note: For *indexation factor* see subsection (3). For *CPI indexed rate* and *indexation day* see subsection (10).

24 Subsection 6A(2)

Omit “the alcohol duty rate”, substitute “the CPI indexed rate”.

25 Subsections 6A(5), (6), (8) and (9)

Omit “an alcohol duty rate”, substitute “a CPI indexed rate”.

26 Subsection 6A(10)

Insert:

CPI indexed rate means:

- (a) a rate of duty set out in item 1, 2 or 3 of the Schedule; or
- (b) a rate of duty set out in item 10 of the Schedule, other than in:

- (i) subitem 10.6 or 10.17; or
- (ii) subitem 10.7, 10.11, 10.12 or 10.30; or
- (c) the rate set out in step 3 of the method statement in subsection 6G(1) (about duty payable on blended goods).

27 After section 6A

Insert:

6AAA Rounding of fuel duty rates

- (1) Despite subsection 6A(2), the amount to be worked out under subsection 6A(1) in respect of an indexation day for a CPI indexed rate covered by subsection (3) of this section is to be rounded to 3 decimal places (rounding up if the next decimal place is 5 or more).
- (2) For the purposes of section 6A, determine the CPI indexed rate on the day before the indexation day as mentioned in subsection 6A(1) on the assumptions that:
 - (a) the operation of subsection (1) of this section was disregarded in respect of all previous indexation days (if any); and
 - (b) subsection 6A(2) permitted amounts worked out under subsection 6A(1) in respect of those indexation days to be rounded to 5 decimal places (rounding up if the next decimal place was 5 or more).
- (3) This subsection covers the following CPI indexed rates:
 - (a) a rate of duty set out in item 10 of the Schedule, other than in:
 - (i) subitem 10.6 or 10.17; or
 - (ii) subitem 10.7, 10.11, 10.12 or 10.30;
 - (b) the rate set out in step 3 of the method statement in subsection 6G(1) (about duty payable on blended goods).

- (4) In this section:

CPI indexed rate has the same meaning as in section 6A.

indexation day has the same meaning as in section 6A.

28 Subsection 6G(1) (method statement, step 1)

After “would”, insert “, at the time the duty on the blended goods is payable,”.

29 Subsection 6G(1) (method statement, at the end of step 3)

Add:

Note: The rate set out in this step is indexed under section 6A.

30 Application of amendments

The amendments made by this Part apply to goods manufactured or produced in Australia on or after 31 January 2015 and to goods for which all the following conditions are met:

- (a) the goods were manufactured or produced in Australia before 31 January 2015;
- (b) on 31 January 2015, the goods either were subject to the CEO’s control, or were in the stock, custody or possession of, or belonged to, a manufacturer or producer of the goods;
- (c) no duty of excise had been paid on the goods before 31 January 2015.

Part 3—Consequential amendments to enacted changes to alternative fuels

Excise Tariff Act 1921

31 After section 6E

Insert:

6FAA Change in duty rate of certain liquefied petroleum gases, liquefied natural gases and compressed natural gases

- (1) This Act has effect as if, on 1 July 2015:
 - (a) the rate of duty in subitem 10.19A of the Schedule is replaced by:
 - (i) \$0.126 per litre; or
 - (ii) if the indexed rate worked out under subsection (2) is greater than \$0.126 per litre—that indexed rate; and
 - (b) the rate of duty in subitem 10.19B of the Schedule is replaced by:
 - (i) \$0.2644 per kilogram; or
 - (ii) if the indexed rate worked out under subsection (2) is greater than \$0.2644 per kilogram—that indexed rate; and
 - (c) the rate of duty in subitem 10.19C of the Schedule is replaced by:
 - (i) \$0.2644 per kilogram; or
 - (ii) if the indexed rate worked out under subsection (2) is greater than \$0.2644 per kilogram—that indexed rate.
- (2) To work out the indexed rate, index the rate mentioned in paragraph (1)(a), (b) or (c) (as applicable) on 1 February 2015 under section 6A, on the assumptions that:
 - (a) the rate is a CPI indexed rate for the purposes of that section; and
 - (b) the amount of that rate on the day before 1 February 2015 is the amount set out in subparagraph (1)(a)(i), (b)(i) or (c)(i) (as applicable).

32 Application of amendments

The amendments made by this Part apply to goods manufactured or produced in Australia on or after 1 July 2015 and to goods for which all the following conditions are met:

- (a) the goods were manufactured or produced in Australia before 1 July 2015;
- (b) on 1 July 2015, the goods either were subject to the CEO's control, or were in the stock, custody or possession of, or belonged to, a manufacturer or producer of the goods;
- (c) no duty of excise had been paid on the goods before 1 July 2015.

Schedule 2—Consequential amendments for ethanol and biodiesel

Excise Tariff Act 1921

1 Subsection 6A(10) (subparagraph (b)(ii) of the definition of CPI indexed rate)

Repeal the subparagraph, substitute:

(ii) subitem 10.7, 10.12, 10.20, 10.21 or 10.30; or

2 Subparagraph 6AAA(3)(a)(ii)

Repeal the subparagraph, substitute:

(ii) subitem 10.7, 10.12, 10.20, 10.21 or 10.30;

3 Subsection 6H(1) (at the end of the note)

Add “That rate is indexed under section 6A.”.

4 Subsection 6J(1) (at the end of the note)

Add “That rate is indexed under section 6A.”.

*[Minister’s second reading speech made in—
House of Representatives on 23 June 2015
Senate on 24 June 2015]*

(122/15)
