

OVERVIEW

For the 2011–12 financial year:

- total grants paid under the fuel tax credits scheme were \$5.5 billion, a 8.2% increase over 2010–11
- total benefits paid under the product stewardship for oil program decreased by 2.8% from 2010–11, to \$35 million
- total grants paid under the cleaner fuel grants scheme remained at a similar amount to 2010–11, at around \$31 million.

INTRODUCTION

Excise duty is levied on petroleum products manufactured or produced in Australia. Customs duty applies (at the same rate) to imported petroleum products.

The ATO administers fuel schemes that aim to:

- cut fuel costs by providing a credit for the fuel tax (excise and/or customs duty) included in the price of fuel, when used for specified activities
- support and encourage the environmentally sustainable management and recycling of used oil
- encourage the manufacture and importation of fuels that have a reduced impact on the environment.

The fuel schemes for the 2011–12 financial year were:

- fuel tax credits
- product stewardship for oil program
- cleaner fuels grants scheme.

This chapter contains statistics on grants or benefits paid under these fuel schemes for the 2011–12 financial year.

NEW FEATURES AND INFORMATION

The statistics reported in this chapter have been affected by the following changes to fuel schemes:

- the fuel tax credit rate for taxable fuel used in heavy vehicles (over 4.5 tonnes) travelling on a public road has gradually reduced over the years. From 1 July 2010 to 30 June 2011, it was 15.543 cents per litre; and from 1 July 2011 to 30 June 2012, it was 15.043 cents per litre.

FUEL TAX CREDITS

Fuel tax credits commenced on 1 July 2006, as part of reforms to modernise and simplify the fuel tax system and reduce the fuel tax burden on businesses and households (for domestic electricity generation). The energy grants credits scheme was substantially replaced with a single fuel tax credits system for all fuels, except alternative fuels (such as liquefied petroleum gas, liquefied natural gas, compressed natural gas, ethanol and biodiesel).

From 1 July 2008, eligibility for fuel tax credits was expanded to include:

- other taxable fuels, such as petrol used for previously eligible EGCS activities – for example, mining, agriculture and fishing
- taxable fuels used in a wider range of business activities, plant, machinery and equipment (these activities attracted a 50% credit).

From 1 December 2011, alternative fuels used in specified applications became eligible for a fuel tax credit equivalent to the amount of fuel tax paid on the fuel.

For the 2011–12 financial year, the amount of fuel tax credits paid was \$5.5 billion, an increase of \$418 million or 8.2%.

TABLE 14.1: Fuel tax credits paid, by entity, 2010–11 and 2011–12 financial years

Entity	2010–11 ¹		2011–12 ¹	
	No.	\$m	No.	\$m
Company	203,461	4,066	197,362	4,487
Trust	124,968	453	122,900	460
Partnership	240,231	382	230,721	368
Government	6,330	119	6,499	123
Individual	112,750	90	110,601	90
Super fund ²	15	..	15	..
Total³	687,755	5,109	668,098	5,527

¹ Data for the 2010–11 and 2011–12 financial years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

² '..' means rounded to zero, but not zero.

³ Totals may differ from the sum of the components, due to rounding.

From an industry perspective, the mining industry increased its claims by \$319 million, the highest dollar amount increase in fuel tax credits. This industry had a 15.7% growth in the amount claimed.

TABLE 14.2: Fuel tax credits paid, by industry, 2010–11 and 2011–12 financial years

Industry ²	2010–11 ¹		2011–12 ¹	
	No. ³	\$m	No. ³	\$m
Agriculture, forestry and fishing	306,110	646	299,113	653
Mining	7,547	2,031	7,597	2,349
Manufacturing	23,939	195	23,322	182
Electricity, gas, water and waste services	8,285	102	7,901	95
Construction	83,305	283	81,130	309
Wholesale trade	23,848	128	23,091	127
Retail trade	16,969	24	16,227	24
Accommodation and food services	4,889	10	5,299	10
Transport, postal and warehousing	146,732	988	135,347	953
Information media and telecommunications	497	12	460	12
Financial and insurance services	3,718	78	4,488	109
Rental, hiring and real estate services	13,228	38	13,122	44
Professional, scientific and technical services	6,803	345	6,804	380
Administrative and support services	12,101	22	11,945	23
Public administration and safety	5,728	85	5,918	93
Education and training	3,802	5	3,814	5
Health care and social assistance	1,845	2	1,812	2
Arts and recreation services	3,728	29	3,860	30
Other services	11,387	17	11,205	16
Other	3,295	71	5,643	111
Total⁴	687,755	5,109	668,098	5,527

1 Data for the 2010–11 and 2011–12 financial years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

2 The industry groups are classified based on the Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006 codes on the Australian Business Register.

3 Claims processed during the period may not necessarily relate to fuel purchased during the same period.

4 Totals may differ from the sum of the components, due to rounding.

TABLE 14.3: Fuel tax credits claims, by amount paid, 2010–11 and 2011–12 financial years

Amount paid ³	2010–11 ¹		2011–12 ¹	
	No. ²	\$m	No. ²	\$m
Payable (greater than \$0)	3,584	–56	3,337	–55
\$0 – \$29,999 refundable	671,638	1,285	651,883	1,265
\$30,000 – \$69,999 refundable	6,543	291	6,704	298
\$70,000 – \$99,999 refundable	1,458	122	1,562	129
\$100,000 – \$499,999 refundable	3,199	681	3,169	668
\$500,000 – \$999,999 refundable	674	488	623	441
\$1,000,000 – \$4,999,999 refundable	540	1,044	699	1,382
\$5,000,000 or more refundable	119	1,255	121	1,399
Total⁴	687,755	5,109	668,098	5,527

1 Data for 2010–11 and 2011–12 financial years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

2 Claims processed during the period may not necessarily relate to fuel purchased during the same period.

3 Claims that are payable (over claims) relate to amounts owing to the ATO, while claims with refundable amounts relate to amounts paid by the ATO.

4 Totals may differ from the sum of the components, due to rounding.

PRODUCT STEWARDSHIP FOR OIL PROGRAM

Under the product stewardship for oil (PSO) program, the government collects an excise levy on relevant petroleum-based oils or synthetic equivalents. The levy applies to both domestic and imported oils, and is paid by oil producers and importers. Benefits are paid to recyclers as a volume-based incentive to encourage and increase the environmentally sustainable management and recycling of waste oil and to support economic recycling options. Benefits are provided at different rates, depending on the extent of recycling performed and the category of recycled oil produced. The lowest benefits are provided for basic burner fuels and the highest for full recycling into as-new, re-refined base oil.

The Department of Sustainability, Environment, Water, Population and Communities has policy responsibility for the product stewardship for oil program. The ATO administers the program by collecting the oil levy and paying the benefit.

For the 2011–12 financial year, 510 claims and \$35 million in benefits were paid under the product stewardship for oil program. The number of claims decreased by 1.9%, while the litres and value of claims both decreased by 2.1% when compared to the previous year.

TABLE 14.4: Product stewardship for oil program payments, 2010–11 and 2011–12 financial years

	2010–11 ¹			2011–12 ¹		
	No.	Litres claimed ('000)	\$m	No.	Litres claimed ('000)	\$m
PSO benefits	520	319,584	36	510	312,904	35

1 Data for the 2010–11 and 2011–12 financial years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

CLEANER FUELS GRANTS SCHEME

The cleaner fuels grants scheme provides payment of a grant for the manufacture and importation of eligible cleaner fuels. The scheme is designed to encourage the supply of fuels that have a reduced impact on the environment.

The cleaner fuels grant of 38.143 cents offsets the excise or customs duty payable on biodiesel, reducing the net effective duty to zero for biodiesel that meets the standards.

TABLE 14.5: Cleaner fuels grants scheme payments, 2010–11 and 2011–12 financial years

Fuel	No.	2010–11 ¹		No.	2011–12 ¹	
		Litres claimed ('000)	\$m		Litres claimed ('000)	\$m
Biodiesel	707	80,903	31	737	80,894	31
Ultra low sulphur diesel ^{2,3}	32	37,803	..	0	0	0
Total⁴	739	118,706	31	737	80,894	31

1 Data for the 2010–11 and 2011–12 financial years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

2 Although the grant payable for ultra low sulphur diesel ceased on 31 December 2008, some claims could still be made until 31 December 2011.

3 '..' means rounded to zero, but not zero.

4 Totals may differ from the sum of the components, due to rounding.

SOURCE OF FUEL SCHEME STATISTICS

The statistics for this chapter are sourced from registration and claim forms for fuel tax credits, the energy grants credits scheme, the product stewardship for oil program, and the cleaner fuels grants scheme.

FUEL SCHEMES CHAPTER TABLES

The fuel schemes chapter tables are on the attached CD-ROM, and included in the online version of this publication on our website – you can view or download all the chapter tables in Excel.

LIST OF FUEL SCHEMES DETAILED TABLES

The following detailed tables on excise are on the attached CD-ROM, and included in the online version of this publication on our website at ato.gov.au – you can view or download all the detailed tables as PDF or Excel files.

Table 1: Fuel tax credits scheme – claims paid, by fine industry, 2006–07 to 2011–12 financial years

This table reports the number of claims, and the value of fuel tax credits claimed, by fine industry for multiple financial years.

Table 2: Product stewardship for oil program – benefits paid, 2001–02 to 2011–12 financial years

This table reports the number of claims, quantity of fuel and the value of benefits claimed by clients/entities under the product stewardship for oil program for multiple financial years.

Table 3: Cleaner fuels grants scheme – benefits paid, 2003–04 to 2011–12 financial years

This table reports the number of claims/entities, quantity of fuel and the value of benefits claimed under the cleaner fuels grants scheme for multiple financial years.