

2002-2003

The Parliament of the  
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

## **Excise Tariff Proposal No. 4 (2003)**

### **Motion moved by Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration) on 17 September 2003**

1. That the *Excise Tariff Act 1921*, as proposed to be altered by Excise Tariff Proposals, be further altered as set out in the Schedule to this Proposal and that the further alterations operate on and from 18 September 2003.
2. That in this Proposal, "Excise Tariff Proposals" means:
  - Excise Tariff Proposal No. 4 (2002) introduced into the House of Representatives on 16 September 2002; and
  - Excise Tariff Proposal No. 1 (2003) introduced into the House of Representatives on 25 June 2003; and
  - Excise Tariff Proposal No. 2 (2003) introduced into the House of Representatives on 25 June 2003; and
  - Excise Tariff Proposal No. 3 (2003) introduced into the House of Representatives on 25 June 2003.

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# Schedule 1—Alterations to the *Excise Tariff Act 1921*

## 1 Subsection 3(1)

Insert:

*biodiesel* means fuel:

- (a) for use in an internal combustion engine; and
- (b) manufactured by chemically altering vegetable oils or animal fats (including recycled oils from these sources) to form mono-alkyl esters.

## 2 Subsection 6G(1)

After “(2B)”, insert “, (2C)”.

## 3 After subsection 6G(2B)

Insert:

(2C) Duty payable under this Act on an excisable blended petroleum product containing a blend of:

- (a) goods that are classified to item 11 of the Schedule as biodiesel, or blends containing biodiesel classified to item 12 of the Schedule; and
- (b) goods that are classified to item 11 or 12 of the Schedule (except gasoline);

with or without other substances, is worked out using the formula:

$$\left[ \begin{array}{l} \text{Volume} \\ \text{of} \\ \text{biodiesel} \end{array} \times \text{Biodiesel} \right] + \left[ \begin{array}{l} \text{Volume} \\ \text{of} \\ \text{ethanol} \end{array} \times \text{Ethanol} \right] + \left[ \begin{array}{l} \text{Volume} \\ \text{of other} \\ \text{substances} \end{array} \times \text{Diesel} \right] - \text{Previously} \\ \text{rate} \qquad \qquad \qquad \text{rate} \qquad \qquad \qquad \text{rate} \\ \text{paid duties}$$

where:

*biodiesel rate* means the rate of excise duty applicable to goods that are classified to item 11 of the Schedule as biodiesel.

*diesel rate* means:

- (a) unless paragraph (b) applies—the rate of excise duty applicable to diesel classified to item 11 of the Schedule having a sulphur content that exceeds 50 parts per million; or
- (b) if the Collector is satisfied that the sulphur content of the total volume of substances in the excisable blended petroleum product that are not biodiesel or ethanol does not exceed 50 parts per

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million—the rate of excise duty applicable to diesel classified to item 11 of the Schedule having a sulphur content that does not exceed 50 parts per million.

*ethanol rate* means the rate of excise duty applicable to denatured ethanol classified to item 11 of the Schedule as denatured ethanol for use in an internal combustion engine.

*previously paid duties* means the sum of:

- (a) the excise duties (if any) that have already been paid on goods that are constituent elements of the excisable blended petroleum product and that are classified to item 11, 12 or 15 of the Schedule; and
- (b) to the extent that Customs duties have been paid on imported goods that are constituent elements of the excisable blended petroleum product and that would have been classified to item 11, 12 or 15 of the Schedule if produced in Australia—so much of the Customs duties paid on those imported goods as represents the application of the excise equivalent rate in relation to those imported goods;

worked out in accordance with subsection (4).

*volume of biodiesel* means the volume of biodiesel in the excisable blended petroleum product.

*volume of ethanol* means the volume of ethanol in the excisable blended petroleum product.

*volume of other substances* means the total volume of substances in the excisable blended petroleum product that are not biodiesel or ethanol.

#### **4 Item 11 of the Schedule (at the end of the description of goods covered by the item)**

Add:

; and (f) biodiesel.

#### **5 At the end of item 11 of the Schedule**

Add:

(L)	Biodiesel	\$0.38143 per litre
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