

Excise Tariff Amendment (Fuel Indexation) Bill 2014

Customs Tariff Amendment (Fuel Indexation) Bill 2014

Fuel Indexation (Road Funding) Bill 2014

Fuel Indexation (Road Funding) Special Account Bill 2014

Portfolio: Treasury and Immigration and Border Protection

Introduced: House of Representatives, 19 June 2014

1.61 The Excise Tariff Amendment (Fuel Indexation) Bill 2014, the Customs Tariff Amendment (Fuel Indexation) Bill 2014, the Fuel Indexation (Road Funding) Bill 2014 and the Fuel Indexation (Road Funding) Special Account Bill 2014 (the bills) form a package of four bills.

1.62 The Excise Tariff Amendment (Fuel Indexation) Bill 2014 seeks to amend the *Excise Tariff Act 1921* to index the rate of excise applying to fuels to assist in funding road infrastructure. The bill would also make consequential amendments to the *Excise Tariff Amendment (Taxation of Alternative Fuels) Act 2011* to increase excise-equivalent customs duty on liquefied petroleum gas, and compressed and liquefied natural gas, from 1 July 2015 as part of the final stage of the phase in of taxation on gaseous fuels.

1.63 The Customs Tariff Amendment (Fuel Indexation) Bill 2014 seeks to amend the *Customs Tariff Act 1995* to index the rate of excise-equivalent customs duty applying to fuels to assist in funding road infrastructure. The bill would also make consequential amendments to the *Customs Tariff Amendment (Taxation of Alternative Fuels) Act 2011* to increase excise-equivalent customs duty on liquefied petroleum gas, and compressed and liquefied natural gas, from 1 July 2015 as part of the final stage of the phase-in of taxation on gaseous fuels.

1.64 The Fuel Indexation (Road Funding) Bill 2014 seeks to amend the *Fuel Tax Act 2006* to ensure that taxpayers use the same indexed rate of duty that was payable on fuel for determining the amount of their fuel tax credits. The bill would also make consequential amendments to the *Energy Grants (Cleaner Fuels) Scheme Regulations 2004* to clarify that the amount of the cleaner fuel rebates for biodiesel and renewable diesel are calculated by using the biodiesel duty rate that applied at the time when the cleaner fuel was entered for home consumption.

1.65 The Fuel Indexation (Road Funding) Special Account Bill 2014 seeks to amend the *Financial Management and Accountability Act 1997* to establish a Fuel Indexation (Road Funding) special account and to ensure that the net additional revenue from the reintroduction of fuel indexation is used for road infrastructure funding.

1.66 The bills are accompanied by a single statement of compatibility which concludes that the bills 'are compatible with human rights as they do not raise any human rights issues'.¹

1.67 The committee considers that the bill does not appear to give rise to human rights concerns.

1.68 However, the committee notes that, where a statement of compatibility is prepared in relation to a package of related bills, the committee's usual expectation is that the statement of compatibility provides a separate and discrete assessment of each bill. This approach supports the committee's function of assessing the human rights compatibility of individual bills under the *Human Rights (Parliamentary Scrutiny) Act 2011*.

1.69 The committee draws to the attention of the Treasurer and the Minister for Immigration and Border Protection its usual expectations regarding the form and content of statements of compatibility.

1 Explanatory memorandum (EM), p. 19.