

1980-81

PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

EXCISE TARIFF AMENDMENT BILL 1981

EXPLANATORY MEMORANDUM

(Circulated by the Authority of the Minister for Business and Consumer Affairs, the Honourable John Moore, M.P.).

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Purpose of the Bill

The purpose of this Bill is to amend the Excise Tariff Act 1921 to enact Excise Tariff Proposals No. 3 (1980) and Excise Tariff Proposals Nos. 1 and 2 (1981).

Excise Tariff Proposals No. 3 (1980) were validated by the Excise Tariff Validation Act 1980 (Act No. 153 of 1980) and altered the excise duty on stabilised crude petroleum oil, and naturally occurring liquefied petroleum gas, with effect from 1 July 1980, in accordance with the Government's policy that all Australian produced crude oil be priced to refineries at import parity levels and that the wholesale price of naturally occurring liquid petroleum gas be linked to the price of that oil.

Excise Tariff Proposals No. 1 (1981) were moved in the House on 3 March 1981 and further altered the excise duty on stabilised crude petroleum oil and naturally occurring liquefied petroleum gas, with effect from 1 January 1981, in accordance with the Government's pricing policy in relation to these products.

Excise Tariff Proposals No. 2 (1981) were also moved in the House on 3 March 1981 and created a new Excise Tariff Item for mixtures of fuel ethanol and petrol to provide for the ethanol component of the fuel to be free of excise duty. Previously the components of these mixtures had to be separately entered for excise tariff purposes. It is Government policy that the ethanol component of the mixture be duty free to encourage the production and use of ethanol as an alternative fuel.

- Clause 1 Citation of the Amendment Act and identification of the Excise Tariff Act 1921 as the Principal Act.
- Clause 2 Provides for the Amending Act to operate from 1 July 1980 except as otherwise provided.
- Clause 3 Amends the Schedule to the Principal Act, with effect from 1 July 1980, to alter the excise duty on stabilized crude petroleum oil and naturally occurring liquefied petroleum gas. These alterations were validated by the Excise Tariff Validation Act 1980 and followed determination of new import parity price for crude oil and the announcement of a new wholesale price for naturally occurring L.P.G. by the Minister for National Development and Energy in accordance with Government policy.
- Clause 4 Amends the Schedule to the Principal Act, with effect from 1 January 1981, to further alter the rates of excise duty on stabilized crude petroleum oil and naturally occurring liquefied petroleum gas. These alterations were notified pursuant to Excise Tariff Proposals No. 1 (1981) introduced into the House on 3 March 1981 and followed further movements in import parity prices and wholesale prices.
- Clause 5 Amends the Schedule to the Principal Act, with effect from 1 April 1981, to create a new Excise Tariff Item for gasoline/ethanol transport fuel. This new item notified pursuant to Excise Tariff Proposals No. 2 (1981) which was introduced into the House on 3 March 1981 provides for the ethanol component of the fuel to be free of excise duty.
- Clause 6 Standard provision to authorize or require, charging, collection and payment of the excise duty imposed by clauses 3, 4 and 5.