

1985

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
HOUSE OF REPRESENTATIVES

Presented and read a first time, 16 October 1985

(Minister representing the Minister for Industry, Technology and Commerce)

A BILL

FOR

An Act to amend the *Excise Tariff Act 1921*

BE IT ENACTED by the Queen, and the Senate and the House of Representatives of the Commonwealth of Australia, as follows:

Short title, &c.

5 **1. (1)** This Act may be cited as the *Excise Tariff Amendment Act (No. 2) 1985*.

(2) The *Excise Tariff Act 1921*¹ is in this Act referred to as the Principal Act.

Commencement

10 **2. (1)** Sections 1 and 2 shall come into operation on the day on which this Act receives the Royal Assent.

(2) Sections 3, 4, 7, 8 and 9 shall come into operation on a day to be fixed by Proclamation, being the day of, or a day after the day of, commencement of the *Petroleum Revenue Act 1985*.

15 **(3)** Section 5 shall be deemed to have come into operation on 1 July 1984.

(4) Section 6 shall be deemed to have come into operation on 23 October 1984.

Certain Acts to be read as one with this Act

3. Section 2 of the Principal Act is amended by inserting “, the *Petroleum Revenue Act 1985*” after “*Distillation Act 1901*”.

5

Interpretation

4 Section 3 of the Principal Act is amended—

(a) by inserting after the definition of “area” in sub-section (1) the following definitions:

“‘delayed-entry LP’ means liquid petroleum obtained from naturally occurring petroleum gas (other than liquid petroleum in respect of which paragraph 17 (B) (1) in the Schedule applies) produced from a prescribed source, but not entered for home consumption, before the operative day for that source;

10

15

‘delayed-entry LPG’ means liquefied petroleum gas obtained from unstabilised crude petroleum oil or from naturally occurring petroleum gas (other than liquefied petroleum gas in respect of which paragraph 17 (C) (1) in the Schedule applies) produced from a prescribed source, but not entered for home consumption, before the operative day for that source;

20

‘delayed-entry LPG rate’, in relation to delayed-entry LPG, means the rate of duty that applied, or would have applied, to liquefied petroleum gas in respect of which paragraph 17 (C) (2) in the Schedule applied entered for home consumption on 1 April in the pre-operative year for the prescribed source from which the delayed-entry LPG was produced;

25

‘delayed-entry LP rate’, in relation to delayed-entry LP, has the meaning given by section 6F;

30

‘delayed-entry oil’ means stabilised crude petroleum oil (other than oil in respect of which paragraph 17 (A) (1) in the Schedule applies) produced from a prescribed source, but not entered for home consumption, before the operative day for that source;

35

‘delayed-entry oil rate’, in relation to delayed entry oil, has the meaning given by section 6E;”;

(b) by inserting “, delayed-entry oil” after “new oil” in the definition of “intermediate oil” in sub-section (1);

40

(c) by inserting “delayed-entry oil or” after “other than” in the definition of “new oil” in sub-section (1); and

(d) by inserting after the definition of "old accumulation" in sub-section (1) the following definitions:

"operative day", in relation to a prescribed source, means the 1 July that is the day prescribed petroleum produced from that source on or after which is exempt from Excise duty because of the *Petroleum Revenue Act 1985*;

'pre-operative year', in relation to a prescribed source, means the financial year immediately preceding the operative day for that source;

'prescribed source' means—

(a) a prescribed production area within the meaning of section 6B;

(b) a prescribed new production area within the meaning of section 6C; or

(c) a prescribed intermediate production area within the meaning of section 6D,

prescribed petroleum produced from which after 1 July in a particular year is exempt from Excise duty because of the *Petroleum Revenue Act 1985*;"

Duties of Excise on new oil

5. Section 6C of the Principal Act is amended by inserting "per kilolitre" after "amount" in the definition of "Import Parity Price" in sub-section (1).

Duties of Excise on intermediate oil

6. Section 6D of the Principal Act is amended by inserting "per kilolitre" after "amount" in the definition of "Import Parity Price" in sub-section (1).

7. After section 6D of the Principal Act the following sections are inserted:

Delayed-entry oil rate

"6E. (1) In this section, 'Import Parity Price' means the amount per kilolitre that is the Import Parity Price within the meaning of section 6B.

"(2) For the purposes of this Act, the delayed-entry oil rate that applies to delayed-entry oil is the amount per kilolitre ascertained in accordance with the formula—

$$\frac{T \times U}{W},$$

where—

T is the Import Parity Price in operation on the operative day for the prescribed source from which the oil was produced;

U is the number of dollars, calculated to 2 decimal places, in the amount of the duties of Excise paid in respect of the crude petroleum oil produced from that source that was entered for home consumption during the pre-operative year for that source;

W is—

- (a) where there was no variation in the Import Parity Price during the pre-operative year for that source—the product of the number of kilolitres of the stabilised crude petroleum oil produced from that prescribed source that was entered for home consumption during that pre-operative year and the number of dollars, calculated to 2 decimal places, in the amount specified in the Import Parity Price; or 5
- (b) where a variation or variations of the Import Parity Price occurred during that pre-operative year—the number ascertained by— 10
- (i) calculating, in respect of each Import Parity Price in operation during that pre-operative year, the product of the number of dollars, calculated to 2 decimal places, in the amount specified in the Import Parity Price and the number of kilolitres of the crude petroleum oil produced from that prescribed source that was entered for home consumption on or after the day on which the Import Parity Price was determined or the commencement of the pre-operative year (whichever occurred last) and before the day on which another Import Parity Price was determined or the end of the pre-operative year (whichever occurred first); and 15 20
- (ii) adding the products calculated under sub-paragraph (i). 25

Delayed-entry LP rate

“6F. (1) In this section—

‘Import Parity Price’ means the amount per kilolitre that is the Import Parity Price within the meaning of section 6B; 30

‘LP’ means liquid petroleum obtained from naturally occurring petroleum gas.

“(2) For the purposes of this Act, the delayed-entry LP rate that applies to delayed-entry LP is the amount per kilolitre ascertained in accordance with the formula— 35

$$\frac{T \times X}{Y},$$

where—

T is the Import Parity Price in operation on the operative day for the prescribed source from which the delayed-entry LP was produced;

X is the number of dollars, calculated to 2 decimal places, in the amount of the duties of Excise paid in respect of the LP produced from that source that was entered for home consumption during the pre-operative year for that source; 40

Y is—

- (a) where there was no variation in the Import Parity Price during the pre-operative year for that source—the product of the number of kilolitres of the LP produced from that prescribed source that was entered for home consumption during the pre-operative year and the number of dollars, calculated to 2 decimal places, in the amount specified in the Import Parity Price; or
- (b) where a variation or variations of the Import Parity Price occurred during that pre-operative year—the number ascertained by—
 - (i) calculating, in respect of each Import Parity Price in operation during that pre-operative year, the product of the number of dollars, calculated to 2 decimal places, in the amount specified in the Import Parity Price and the number of kilolitres of the LP produced from that prescribed source that was entered for home consumption on or after the day on which the Import Parity Price was determined or the commencement of the pre-operative year (whichever occurred last) and before the day on which another Import Parity Price was determined or the end of the pre-operative year (whichever occurred first); and
 - (ii) adding the products calculated under sub-paragraph (i)."

Amendment of Schedule

8. The Schedule to the Principal Act is amended—

- (a) by inserting after paragraph 17(A) (1) the following paragraph:
 "(1A) Delayed-entry oil the delayed-entry oil rate that applies to the oil";
- (b) by inserting after paragraph 17(B) (2) the following paragraph:
 "(2A) Delayed-entry LP the delayed-entry LP rate that applies to the liquid petroleum"; and
- (c) by inserting after paragraph 17(C) (1) the following sub-paragraph:
 "(1A) Delayed-entry LPG. the delayed-entry LPG rate that applies to the liquefied petroleum gas".

Application

9. The amendments of the Principal Act made by sections 3, 4, 7 and 8 apply to delayed-entry LP, delayed-entry LPG and delayed-entry oil, within the meaning of the Principal Act as amended by those sections, whether produced before or after the commencement of this section.

NOTE

1. No. 26, 1921, as amended. For previous amendments, see No. 28, 1924; No. 28, 1926; No. 4, 1928; Nos. 20 and 21, 1933; No. 17, 1936; Nos. 24 and 70, 1938; Nos. 29, 54 and 65, 1939; Nos. 3, 4, 14 and 93, 1948; Nos. 77 and 82, 1949; Nos. 61, 62 and 80, 1950; No. 83, 1952; No. 78, 1953; Nos. 16, 59 and 87, 1956; No. 82, 1957; No. 19, 1958; Nos. 26, 65 and 66, 1959; Nos. 26 and 57, 1960; Nos. 21 and 55, 1961; No. 73, 1962; Nos. 41 and 91, 1963; No. 125, 1964; Nos. 83 and 140, 1965; Nos. 18 and 82, 1967; Nos. 74 and 75, 1968; Nos. 5 and 33, 1969; No. 81, 1970; No. 108, 1971; Nos. 22, 64 and 119, 1972; Nos. 20, 23, 146 and 216, 1973; No. 121, 1974; Nos. 104 and 136, 1977; Nos. 48 and 184, 1978; Nos. 81, 83 and 164, 1979; Nos. 43, 44, 45 and 122, 1980; No. 50, 1981; Nos. 45, 54 and 80, 1982; Nos. 27 and 99, 1983; Nos. 53, 72 and 131, 1984; and No. 41, 1985.

