



## Nicholl Fuel Oils Rebated Red Diesel Use Declaration

The UK government's announcement of changes to the rules on rebated diesel usage has been a source of confusion and concern across NI businesses. This declaration is to help us provide you with the correct advice on your ability to use rebated diesel.

At budget 2021, the government announced changes to rebated red diesel use entitlement (HODA Schedule 1 Entitlement) that will remove tax relief for rebated red diesel for several sectors. From 1<sup>st</sup> April 2022, Nicholl Fuel Oils will only be able to supply rebated red diesel to the following sectors:

- Agriculture, forestry, horticulture and fish farming
- Heating
- Power generation
- Horticulture Grass Cutting
- Travelling funfairs and circuses
- Marine
- Rail
- Amateur sports clubs, including golf courses

This will require industries that are not listed above to use fuel that's taxed at the standard rate for white diesel. Red diesel use entitlement is changing to encourage businesses to use alternative fuels to reduce their emissions and to help the UK achieve its net-zero targets.

The Government has provided the following [guidance for red diesel users](#) to help prepare for the change in tax – but our team of experts are available to assist you.

**Please can you review the options below and confirm by selecting the option that your rebated red diesel use falls in and return this form to us at [reddieseldeclaration@nicholloils.com](mailto:reddieseldeclaration@nicholloils.com)**

**Please tick applicable box (boxes)**

## **1. Heating**

### **Non-Commercial or Domestic**

Rebated Gas Oil fuel can be used for heating premises being used for non- commercial purposes, including, for example, domestic homes, places of worship, NHS hospitals and townhalls.

- Non-commercial purposes mean where the activities carried out at the premises are not concerned with making profit. This includes, for example at premises being used to provide a public service or for charitable fundraising.

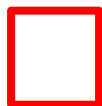
### **Commercial**

- Where premises are being used for the purpose of making a profit, for example a school or hospital that charges fees, the fuel would be considered as being used for commercial purposes and you could not use rebated fuel for this.

### **CASC**

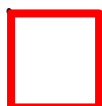
- A Community Amateur Sports Club registered with HMRC where premises are being used for the purpose of the club and the Rebated Gas oil is being used for heating.

## **2. Power Generation**



### **Non-Commercial or Domestic**

- Rebated Gas Oil fuel can be used for power generation for Domestic homes and other premises being used for non-commercial purposes. This includes those not connected to the electricity grid and those that use back-up generators to ensure continuous power supply.
- Non-commercial purposes mean where the activities carried out at the premises are not concerned with making profit. This includes, for example at premises being used to provide a public service or for charitable fundraising.

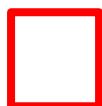


### **Commercial**

- Where premises are being used for the purpose of making a profit, for example a school or hospital that charges fees, the fuel would be considered as being used for commercial purposes and you could not use rebated fuel for this.

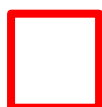
## **3. Horticulture - Grass Cutting**

- A machine designed only for mowing grass at a time when it is used on:



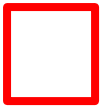
### **Golf Club**

- Rebated Gas Oil fuel can be used for mowing on a Golf course



### **CASC**

- Rebated Gas Oil fuel can be used for mowing on a land maintained by a community amateur sports club;



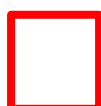
## **4. Travelling Fair or Circus**

- Rebated Gas Oil fuel can be used in machines and appliances associated with a fair or circus, providing the fair or circus is not in a place where it spends more than 27 days in a calendar year. This includes fuel for powering the rides and for the accommodation caravans, but excludes fuel used in any vehicle unless the vehicle is a mowing machine or unlicensed vehicle.



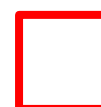
## **5. Marine**

- All Types of commercial boating, including fishing and passenger ferries, except for private pleasure craft in Northern Ireland, may use rebated fuel in their engines and other machines and appliances permanently on the boat.
- A private pleasure craft is defined in section 9 of Excise Notice 554:



## **6. Rail**

- Passenger, freight and maintenance vehicles that run on rail tracks within the meaning of section 67(1) of the Transport and Works Act 1992.



## **7. Agricultural/Forestry/Fish Farming Use**

- An agricultural vehicle at a time when it is used for purposes relating to agriculture, horticulture, pisciculture, fish farming or forestry, including when it is going to or from the place where it is to be or has been used for such purposes.

- An agricultural vehicle kept on land maintained for purposes relating to agriculture, horticulture, pisciculture, fish farming or forestry at a time when:
  - It is used on that land for any purpose, or
  - It is used away from that land for the purposes of—
    - Cutting verges bordering public roads
    - Cutting hedges or trees bordering public roads or
    - Bordering verges which border public roads, or
    - Clearing or otherwise dealing with frost, ice, snow or flooding including when it is going to or from the place where it is to be or has been used for one of those purposes.
  - An agricultural vehicle kept and used on a golf course or on land maintained by a community amateur sports club.

I confirm that I have reviewed the above options and confirm that our rebated red gas oil use is as selected above.

Signed

Date

Position