



PRACTICE DIRECTION NEW FUEL SUBSIDY SCHEME - NFSS 5.1

MEANING OF “RETAIL QUANTITY” FOR THE RETAIL SCHEME

Practice Direction History

Practice Direction	Issued	Dates of effect	
		From	To
NFSS 5.1	13 August 2002	13 August 2002	23 February 2009

Preamble

- A. Under the *Fuel Subsidy Act 1997* (the “Act”), a subsidy is payable for retail fuel sold by a retailer. To be regarded as retail fuel, the quantity of fuel supplied to a person from a particular retail site in a day must not exceed 2,000 litres.¹ If the amount supplied does exceed this quantity, no subsidy is payable for the excess.
- B. This practice direction clarifies how the 2,000 litre limit will be determined for supplies to a person from a retail site within a day.

Practice Direction

1. The intention of section 11 of the Act is to provide for a subsidy for retail fuel supplied to a person by a particular retailer in quantities of 2,000 litres or less. By limiting the amount of fuel for which a subsidy may be claimed in a day, section 11(3) of the Act ensures that the limit on the payment of subsidies for supplies of 2,000 litres is not avoided through multiple consecutive supplies from a particular retail site to a particular customer in quantities of up to 2,000 litres each time.
2. Where a retailer operates more than one retail site, each site is considered separately in deciding the amount supplied to customers during the day.
3. In deciding whether fuel has been supplied from a particular retail site to a person in quantities exceeding 2,000 litres in a day, the vehicle into which the fuel is supplied will be relevant. That is, even though an account customer, for instance, may have several vehicles which are refuelled from a particular retail site during a day, if the quantity supplied to each vehicle is 2,000 litres or less, section 11(3) will be satisfied. This means that, where all other conditions are met, a subsidy may be claimed for all retail fuel supplied to these vehicles during the day.
4. The arrangements for supplies into empty containers differ from the arrangements for supplies into vehicles. Where fuel is supplied into empty containers, the total fuel purchased during the day by the person buying the fuel, including all fuel purchased for supply into vehicles owned or operated by the person, must be considered.

¹ Section 11(3)

Where the total amount of fuel purchased by the person during the day exceeds 2,000 litres, any additional amount supplied into empty containers will not be eligible for the subsidy.

5. For instance, if an account customer fuels several vehicles during a day, where the total fuel purchased exceeds 2,000 litres, any fuel purchased for supply into an empty container during that same day will not be eligible for a subsidy as it will not be retail fuel. If the total fuel supplied into all of the account customer's vehicles during the day was less than 2,000 litres, a subsidy may be claimed for the fuel supplied into the customer's empty containers, subject to the total amount of subsidy claimed for supplies to the customer during the day being for no greater than 2,000 litres in total.

Example 1

Retailer A operates retail sites at Warwick and Goondiwindi. During each day, Retailer A supplies fuel from both sites into vehicles operated as part of ABC Truck Co's fleet. The total quantity of fuel supplied into all of these vehicles from each site exceeds 2,000 litres each day but the amount supplied into the individual vehicles from a particular site is no greater than 2,000 litres each day. From time to time, the same vehicle refuels at both sites in a day and is supplied with more than 2,000 litres in total.

The Warwick and Goondiwindi sites are separately considered in deciding the retail quantities of fuel supplied under section 11 of the Act. In this case, the amount of fuel supplied from each site into each vehicle during a day will be relevant and, where the total fuel supplied into each vehicle from each site during the day does not exceed 2,000 litres, a subsidy will be payable for the amount of retail fuel supplied, subject to all other requirements of the Act being satisfied.

Example 2

Further to Example 1, Retailer A also supplies fuel from the Warwick site into empty containers owned or used by ABC Truck Co. As the total fuel supplied to ABC Truck Co from the Warwick retail site during a day exceeds 2,000 litres, no subsidy may be claimed for any of the fuel supplied into these empty containers. This is so regardless of the fact that subsidies may be claimed for the separate supplies of 2,000 litres or less into ABC Truck Co's vehicles from the Warwick site during the day.

Date of Effect

6. This Practice Direction takes effect from the date of issue.

James Green
Commissioner of Stamp Duties
Date of Issue: 13 August 2002