



Petroleum Excise (Prices) Amendment Act 1997

No. 79, 1997

An Act to amend the *Petroleum Excise (Prices) Act 1987*, and for related purposes

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[Assented to 18 June 1997]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Petroleum Excise (Prices) Amendment Act 1997*.

2 Commencement

This Act commences on 1 July 1997.

3 Schedule(s)

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Amendment of the Petroleum Excise (Prices) Act 1987

1 Subsection 4(1)

Insert:

limited production area means a production area that is declared to be a limited production area under subsection 6(1B).

2 Subsection 4(1)

Insert:

production area means a production area within the meaning of section 5B of the *Excise Tariff Act 1921*:

- (a) from which stabilised crude petroleum oil is obtained; and
- (b) which is prescribed to be the whole or part of an oil producing region.

3 Subsection 4(1) (definition of *reference price*)

Repeal the definition.

4 Subsection 4(1) (at the end of paragraphs (aa) and (a) of the definition of *reviewable decision*)

Add "or".

5 Subsection 4(1) (after paragraph (aa) of the definition of *reviewable decision*)

Insert:

- (ab) a decision under subsection 6(1B) refusing to declare a production area to be a limited production area; or
- (ac) a decision under subsection 6(1E) to revoke a declaration that a production area is a limited production area; or

6 Section 5

Repeal the section.

7 After subsection 6(1)

Insert:

- (1A) The information prescribed for the purposes of subsection (1) may differ according to whether or not the transaction entered into by the oil producer relates to excisable crude petroleum oil produced from a production area while that area is declared to be a limited production area.
- (1B) If, in respect of excisable crude petroleum oil produced by an oil producer from a particular production area:
- (a) the volume of that oil entered for home consumption before the end of each of 3 consecutive months (whether in the same financial year or not) is less than 80% of the free volume of excisable crude petroleum oil in respect of that month, worked out in accordance with subsection (1G); and
 - (b) the Minister is satisfied that the volume of that oil likely to be entered for home consumption before the end of any future month is unlikely, having regard to production statistics and any other relevant factor known to the Minister, to exceed 80% of the free volume of that oil in respect of that future month, worked out in accordance with subsection (1G);
- the Minister may declare in writing that production area to be a limited production area and, if the Minister does so, he or she must notify the oil producer concerned of that declaration.
- (1C) If, in respect of excisable crude petroleum oil produced by an oil producer from a particular production area:
- (a) paragraph (1B)(a) applies in respect of any period of 3 consecutive months; but
 - (b) the Minister does not declare that production area to be a limited production area within 15 days after the end of that period;
- the Minister is taken to have refused, under subsection (1B), to make that declaration.
- (1D) If, because the Minister does not declare a production area to be a limited production area within 15 days after the end of a period of 3 consecutive months, the Minister is taken, under subsection (1C), to have refused to make that declaration:
- (a) that subsection does not prevent the Minister making such a declaration, in accordance with subsection (1B), at the end of any period of 3 consecutive months to which paragraph (1B)(a) applies (a *subsequent period*) that ends after that first-mentioned period; but

- (b) if the Minister does not, within 15 days after the end of a subsequent period, make such a declaration, the Minister is again taken to have refused, under subsection (1B), to make such a declaration.

(1E) If:

- (a) a particular production area has been declared to be a limited production area; and
- (b) at any time after the declaration, the volume of excisable crude petroleum oil produced in that area and entered for home consumption exceeds the free volume of that oil in respect of that month, worked out in accordance with subsection (1G);

then:

- (c) the Minister must, by written notice given to the oil producer concerned, revoke the declaration; and
- (d) the producer must give to the Minister, in respect of all excisable crude petroleum oil produced in that area and entered for home consumption after the making of the declaration, the information that, but for the making of the declaration, would have been required in respect of each transaction concerning that oil.

(1F) The information required to be given to the Minister under subsection (1E), or particular parts of that information, must be given to the Minister:

- (a) unless the Minister otherwise indicates in the notice revoking the declaration—in the form specified for the purpose of subsection (2); and
- (b) within a time or times specified by the Minister in that notice.

(1G) For the purposes of this section, the free volume of excisable crude petroleum oil that is entered for home consumption before the end of a month is the maximum volume of such oil that, if entered for home consumption before the end of that month would, under section 6B, 6C or 6D of the *Excise Tariff Act 1921*, be a volume of oil to which no notional duty was applicable.

Note: Subsection (4) of section 6B, 6C or 6D of the *Excise Tariff Act 1921* specifies, among other things, the minimum volume of oil to which notional duty becomes applicable. The effect of that subsection is modified by subsection (9) of each of those sections.

8 After subsection 7(2)

Insert:

- (2A) Nothing in this section implies that the Minister, or a person authorised by the Minister to exercise the Minister's powers under this section, cannot determine an interim VOLWARE price for a month and an oil producing region at any time during the month concerned, whether or not there is available at that time any information concerning the prices for which excisable crude petroleum oil obtained from that region and entered for home consumption during that month has been sold, or is likely to be sold.

9 After subsection 7(3)

Insert:

- (3A) In spite of subsections (2) and (3), neither the Minister nor a person authorised by the Minister to exercise the Minister's powers under this section is required to determine an interim VOLWARE price, or a final VOLWARE price, in respect of an oil producing region and a month if, at all times during that month:
- (a) if the region consists of a single production area—there is in force a declaration under subsection 6(1B) that that area is a limited production area; or
 - (b) if the region consists of 2 or more production areas—there are in force declarations under subsection 6(1B) that each of those areas is a limited production area.
- (3B) Nothing in subsection (3A) affects the obligation of the Minister or of a person authorised by the Minister to exercise the Minister's powers under this section to determine an interim VOLWARE price, or a final VOLWARE price, in respect of an oil producing region and a month if a declaration under subsection 6(1B) relating to a production area in that region that was in force during that month is subsequently revoked.

10 Paragraph 8(a)

Omit "Comptroller", substitute "CEO".

11 Saving

- (1) The *Petroleum Excise (Prices) Act 1987* as in force immediately before the commencement day continues to apply in relation to excisable crude petroleum oil obtained from an oil producing region and entered for home consumption during a month occurring before that day.

(2) In this item:

commencement day means the day on which this Act commences.
excisable crude petroleum oil, oil producing region and *month*
have the same meanings as in subsection 4(1) of the *Petroleum
Excise (Prices) Act 1987* as in force immediately before the
commencement day.

[*Minister's second reading speech made in—
House of Representatives on 26 March 1997
Senate on 15 May 1997*]