



1. Home (<https://www.gov.uk/>)
 2. Excise Notice 179e: biofuels and other fuel substitutes
(<https://www.gov.uk/government/publications/excise-notice-179e-biofuels-and-other-fuel-substitutes>)
-
1. HM Revenue
& Customs (<https://www.gov.uk/government/organisations/hm-revenue-customs>)

Notice

Excise Notice 179e: biofuels and other fuel substitutes

Published 1 June 2014

Contents

Foreword

1. Introduction
2. Biofuel producers' obligations
3. Biodiesel, bioethanol and their blends
4. Accounting for Excise Duty
5. Biodiesel and bioblend for use other than as road fuel
6. Dealing with HMRC
7. Glossary

Your rights and obligations

Your comments or suggestions

Putting things right

How HMRC uses your information

If mixing of biodiesel with oil takes place before the duty point, a bioblend is created, and duty should be charged accordingly.

If biodiesel on which duty hasn't been charged is mixed with oil on which a rebate of duty has been allowed, no duty is chargeable on the biodiesel if it's intended that the mixture will be used for heating.

There's no restriction on mixing rebated biodiesel or partially rebated bioblend with any rebated oil, provided it is not intended the mixture will be used as road fuel.

There's no restriction on mixing fully rebated bioblend with any rebated oil, provided it's not intended the mixture will be used as fuel for a road vehicle or any engine.

5.11 Can I use rebated biodiesel or bioblend as fuel in a road vehicle?

No. It's illegal to use these fuels in a road vehicle unless you pay the difference between the full rate of duty on the fuel and the rebated rate actually paid on the fuel used. Please refer to Notice 75: fuel for road vehicles (<https://www.gov.uk/government/publications/excise-notice-75-fuel-for-road-vehicles>) for guidance.

5.12 Are there penalties for the misuse of rebated biodiesel or rebated bioblend?

Yes. The penalties that apply to misuse of rebated biodiesel or rebated bioblend are the same as apply to misuse of rebated oil. Please refer to Notice 75: fuel for road vehicles (<https://www.gov.uk/government/publications/excise-notice-75-fuel-for-road-vehicles>) for guidance.

5.13 Biofuels and electricity generation

Part 7 of the Biofuels and Other Fuel Substitutes (Payment of Excise Duties, etc) Regulations 2004 allows relief from duty on biofuels used for electricity generation. This relief applies to all biofuels; it's not restricted solely to those that meet the biodiesel specification. Relief can only be claimed by the 'qualified claimant'. A qualified claimant is a person who uses biofuel to generate electricity.

If you're approved for deferment, you should set-off the relief against your normal Excise Duty liability in Section 2.b. of form HO10.

If you're not approved for deferment then you should set-off the relief against your normal Excise Duty liability on form HO930 (<https://www.gov.uk/government/publications/fuel-duty-return-and-payment-of-duty-for-biofuels-and-other-fuel-substitutes-ho930>).

In any other case, you will need to make a claim, in writing, to the Mineral Oil Reliefs Centre at the address shown below. Claimants should use form EX55 (<https://www.gov.uk/government/publications/fuel-duty-claim-for-repayment-of-excise-duty-on-oils-or-biofuel-used-to-generate-electricity-ex55>), which is available from our website or from the Excise: enquiries helpline (<https://www.gov.uk/government/organisations/hm-revenue-customs/contact/excise-enquiries>). Form EX55 can also be used to claim back duty paid on gas oil used to generate electricity - see Notice 175: motor and heating fuels - relief from Excise Duty: oils used to generate electricity (<https://www.gov.uk/government/publications/excise-notice-175-motor-and-heating-fuels-relief-from-excise-duty-oils-used-to-generate-electricity>).