

**To All Avtur Registered Dealers in Controlled Oils****Avtur supplied for Private Pleasure flying – changes from 1 November 2008****Background**

In order to comply with European legislation, Budget 2007 announced that from 1 November 2008 aviation turbine fuel (Avtur) used in private pleasure-flying would be subject to the full rate of duty rather than being fully rebated from excise duty.

**Changes from 1 November 2008**

With effect from 1 November 2008 avtur used for private pleasure-flying is liable to duty at the rate for kerosene used as motor fuel, currently 50.35 pence per litre.

**RDCOs' Obligations**

As an RDCO you have a duty of care to ensure that you only make supplies to customers who have a legitimate use for that oil. That duty of care will be extended from 1 November 2008 to include an obligation to draw to the attention of the purchaser the requirement to pay the duty to HMRC if you think that the avtur you are supplying might be used for private pleasure-flying.

If the purchaser states that the fuel will be used for private pleasure-flying then you will be required to obtain a signed and dated declaration from the purchaser to that effect and retain it with your records for future inspection by HMRC if required. If the purchaser states that it is not for private pleasure-flying then you will be required to note your records to that effect.

The declaration must be in the following format but it will be up to you how you incorporate this into your existing records: for example, you may wish to include the declaration on a sales invoice.

“I declare that some or all of the kerosene purchased is to be used for private pleasure-flying. I am aware that, on the quantity of kerosene used for private pleasure-flying, I have a legal obligation to pay to HM Revenue and Customs an amount equal to the rebate allowable on a like quantity of kerosene at the time of this declaration.”

You will need to ensure that the name and address of the purchaser is noted in your records and that the purchaser signs and dates the declaration.

## **Customer Obligations**

Avtur on which a rebate of duty has already been allowed cannot be used as fuel for private pleasure-flying unless the person to whom it is supplied makes a declaration that it is to be so used. Where such a declaration is made, the person making the declaration must pay to HMRC an amount equivalent to the rate of rebate allowed on such fuel at the time of the declaration. Use of the fuel for private pleasure-flying without making such a declaration or, where a declaration is made, a failure to pay the amount equivalent to the rebate, will render the person liable to a civil penalty.

### **Further information.**

Information will be available later in September on the HMRC website [www.hmrc.gov.uk](http://www.hmrc.gov.uk) and from the National Advice Service 0845 010 9000 which will explain more fully the scheme and the obligations of the user and supplier.

A new public notice will be available from HMRC in November which will also provide information on schemes for fuel used in pleasure boats which will also be introduced on 1 November 2008.

The notice will also include a definition of 'private pleasure-flying'.

Notice 179A Aviation Turbine Fuel (Avtur) will be also amended.