



Explanatory Statement

Excise Act 1901

Excise By-Law (Amendment) 2009 (No. 1)

General Outline

1. This Explanatory Statement is provided in accordance with section 26 of the *Legislative Instruments Act 2003*.
2. Item 21 of the Schedule to the *Excise Tariff Act 1921* imposes duties of excise for the production of condensate which are equivalent to the duties of excise on new oil and includes “exempt offshore condensate” which is condensate included in “exempt offshore oil and condensate” produced from a prescribed “exempt offshore field”.
3. *Excise By-Law No. 114* (By-Law No.114) prescribes exempt offshore fields for the purposes of paragraph (a) of the definition of “exempt offshore field” in subsection 3(1) of the *Excise Tariff Act 1921*.
4. During a review of By-Law No. 114, the following amending by-laws pertaining to this by-law were identified as containing amending instructions that were misdescribed and therefore not all amendments were incorporated:

Title	Date of FRLI registration	Date of commencement
<i>Excise By-Law (Amendment) 1997 No.2</i>	5 Nov 1997 (see <i>Gazette</i> 1997, No. GN44) (F2006B11678)	5 Nov 1997
<i>Excise By-Law (Amendment) 1998 No. 1</i>	18 Feb 1998 (see <i>Gazette</i> 1998, No. GN7) (F2006B11681)	18 Feb 1998
<i>Excise By-Law (Amendment) 2001 No. 1</i>	20 Apr 2001 (see <i>Gazette</i> 2001, No. S 145) (F2007B00016)	30 Apr 2001
<i>Excise By-Law (Amendment) 2008 (No. 1)</i>	27 Nov 2008 (F2008L04519)	2 Oct 2008

5. *Excise By-Law (Amendment) 2009 (No. 1)* therefore contains the necessary amendments to be made to By-Law No. 114 that will rectify those misdescribed amendments and give this by-law a modern drafting style.
6. The amendment to By-Law No. 114 is made under section 165 of the *Excise Act 1901* (under subsection 33(3) of the *Acts Interpretation Act 1901* the power to make an instrument can be construed as a power to amend an instrument).

Date of effect

7. This by-law takes effect on and from the date of registration on the Federal Register of Legislative Instruments.

Note: Subsection 56(1) of the *Legislative Instruments Act 2003* provides that in certain circumstances, the requirement for a legislative instrument to be published in the *Gazette* is taken to be satisfied if the legislative instrument is registered on the Federal Register of Legislative Instruments. Subsection 56(1) of the *Legislative Instruments Act 2003* applies to this by-law.

Effect of the instrument

8. This by-law makes the necessary amendments to correct errors identified in, and give a modern drafting style to, By-Law No. 114.
9. Compliance cost impact. No change/low. An assessment of the compliance cost impact indicates the impact will be minor for both implementation and on-going compliance costs. The change to the instrument is of a minor, routine nature.

Impact of the instrument

10. The amendments made by this by-law will not alter the existing arrangements provided by By-Law No. 114.

Consultation

11. Section 18 of the *Legislative Instruments Act 2003* provides for circumstances where consultation may not be necessary or appropriate. As this by-law simply rectifies previous misdescribed amendments of the by-law and does not alter existing arrangements, no consultation in its development was undertaken.

Timothy Dyce

Deputy Commissioner and Delegate for Commissioner of Taxation (CEO)
30 July 2009

Related Rulings/Determinations:

Subject references:

Condensate
Excise
Excise Tariff
Excise By-Law
Exempt offshore oil
Exempt offshore field
Exempt offshore oil and condensate
New oil

Legislative references:

Acts Interpretation Act 1901 subsection 33(3)

Excise Act 1901 section 165

Excise Tariff Act 1921 subsection 3(1)

Excise Tariff Act 1921, the Schedule, item 21

Legislative Instruments Act 2003 section 18

Legislative Instruments Act 2003 section 26

Legislative Instruments Act 2003 subsection 56(1)

Excise By-law No. 114

Other references:
