

Excise Duty – Payment of Mineral Oil Tax on Heavy Oil (Diesel) used for Private Pleasure Navigation

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1. Introduction

From 1st November 2008, diesel used for “private pleasure navigation” is subject to mineral oil tax at the same rate as applies to auto diesel (currently €179.02 per 1,000 litres) instead of the reduced rate that applies to marked gas oil (currently €88.66 per 1,000 litres).

“Private pleasure navigation” means use for navigation in a craft for any purpose that is not commercial, and includes use in any craft that is hired out for such purpose. It does not, however, include the transportation of passengers on cruises and other recreational voyages where the craft is operated and crewed by a commercial operator.

This Guide is relevant to all owners of diesel-propelled craft that are used for private pleasure navigation, including owners who hire out craft, and the people to whom they hire them, for that purpose.

2. Background

Ireland availed of a derogation from the requirements of EU law to allow the use for private pleasure navigation of gas oil (diesel) on which mineral oil tax was paid at a reduced rate; this permitted the use of marked gas oil as boat fuel. (Marked gas oil is diesel on which mineral oil tax at a reduced rate has been paid, on condition that it is used only for purposes that qualify for that reduced rate. It is chemically marked, and dyed green, to deter misuse for purposes to which a higher rate of tax applies).

As the derogation has now expired, diesel used for private pleasure navigation is, since 1 November 2008, taxed at the same rate as auto diesel.

3. Application of Revised Rates

From 1st November 2008 persons involved in private pleasure navigation should, where possible, use auto diesel. It is recognised, however, that auto diesel will not, in the short term at least, be available at many fuelling points around the coast and on inland waterways. Provision was, accordingly, made in the Finance Act 2008 to allow the continued use of marked gas oil, subject to payment of the balance of the mineral oil tax on the fuel used (i.e., the difference between the tax calculated at the auto diesel and marked gas oil rates).

Where the option to use marked gas oil for private pleasure navigation is being availed of, owners of the craft involved are required to make a return, at the end of each year, of the quantity of marked gas oil purchased in that year, and to pay mineral oil tax on that quantity at the rate equivalent to the difference between the auto diesel and marked gas oil rates at the time of purchase of the oil. The return form for 2011 (revised to take account of the increase in Mineral Oil Tax on heavy oil used for private pleasure navigation effective from 07/12/2011) is at [Annex 1](#).

Completed returns and payment are to be sent, **to arrive no later than the 1st day of March following the year to which the return relates**, to the appropriate Revenue office from those listed on the bottom of the return form.

4. Hired Craft

(A) General

Any operator who hires out craft for private pleasure use, and who does not avail of the procedure set out in paragraph (B) below, is required to make a single return for all the craft concerned. Where marked gas oil is purchased by the person who has hired the craft, that person should retain the receipts for such purchases, and give them to the owner when the craft is returned. In any case where the receipt is not available, the purchaser should complete a statement of the cost of the purchase, the quantity of marked gas oil purchased, the date it was made, and the retail outlet where it was made. The declaration form to be used is at [Annex 2](#). The craft owner may, for the purposes of the return referred to in paragraph 3, estimate the quantity of fuel

purchased by reference to the purchaser's statement. The owner should include these details in his / her return and account for the additional duty.

(B) Craft-Hire Operators on inland waterways.

As an alternative to the procedure set out at paragraph (A) above, craft-hire operators with refuelling facilities may enter into a mutual arrangement whereby each participating operator makes returns in respect of all the marked gas oil they supply for private pleasure use, both for their own craft and those of the other participating operators.

Under this arrangement, the requirement under paragraph (A) above, for the person who has hired the craft to provide receipts, or to otherwise account for fuel purchases, does not apply.

Revenue will require each participating hire operator to authorise the other participating operators to make returns and payments on his/her behalf, and to undertake to reciprocate for supplies made to the craft of those operators. A template for that document of authorisation/undertaking is at [Annex 4](#).

At the end of the accounting period, each participating operator will make a return in respect of all marked gas oil supplied to craft on hire from his/her own business using the form at [Annex 1](#), and a separate return using the form at [Annex 3](#) in respect of all supplies to hire-craft of the other participants. Payment must at the same time be made in accordance with both returns.

5. Stationary Craft

No return need be made in any case where a craft has remained stationary during a calendar year.

An allowance may be made for any marked gas oil used while a craft has remained stationary for a period of at least 30 consecutive days, and the amount of tax returned may be adjusted accordingly.

6. Records

All records, accounts, invoices, receipts, statements, and other documentation relating to a return, must be retained for a period of not less than **6 years** from the date of that return or claim.



MINERAL OIL TAX RETURN – YEAR ENDING 31/12/2011 (Revised 07/12/2011)
HEAVY OIL USED FOR PRIVATE PLEASURE NAVIGATION

Refer to Revenue Guide “Excise Duty – Payment of Mineral Oil Tax on Heavy Oil (Diesel) used for Private Pleasure Navigation” for information on completing this form.

Name and Address of Craft Owner (BLOCK LETTERS)	FOR OFFICIAL USE
Phone No.....Email.....	
PPS No. or VAT No. as appropriate.....	

I declare that a total of.....litres of Marked Gas Oil was used in craft, owned by the above Craft Owner, for private pleasure navigation during the calendar year ending 31 December 2011, thereby rendering it liable to Mineral Oil Tax in the total amount shown hereunder. I undertake, on request, to produce any evidence which the Revenue Commissioners may require in support of this return.

ERN	Quantity (litres)	Rate per litre & dates during which applicable	Amount payable
7107		€0.37704 (1 Jan. to 06 Dec 2011)	€
		€0.39036 (07 Dec to 31 Dec 2011)	€
Total payable			€

Signature of Declarant Date/...../.....

Declarant's name in Block Capitals.....

Designation of Declarant

(This return must be signed by (a) the Craft Owner, or (b) some person authorised by the Craft Owner.)

Indicate Method of Payment (Tick appropriate box)

Cheque Bank Draft Money Order Postal Order

Completed forms to be sent to “**THE REVENUE COMMISSIONERS, CASH OFFICE / EXCISE ACCOUNTS**” in the appropriate Region's office from the following list:

- **Dublin Region:** 85-93 Lower Mount Street, Dublin 2.
- **South West Region (Cork):** Revenue House, Blackpool, Cork.
- **South West Region (Limerick):** River House, Charlotte Quay, Limerick.
- **Border Midlands West Region:** Geata na Cathrach, Fairgreen, Galway.
- **East South East Region:** Government Offices, The Glen, Waterford.

CASHIER'S DATE
STAMP

.....Cashier



**DECLARATION OF MARKED GAS OIL
PURCHASED FOR USE IN PRIVATE PLEASURE NAVIGATION**

Craft owner
<u>Name</u>
<u>Address</u>

Details of person who bought fuel / used craft
<u>Name</u>
<u>Address</u>

I declare that the list hereunder represents a full and true account of the purchases of marked gas oil made by me for private pleasure navigation during the period from/...../20..... to/..... /20...

Signature of Declarant:Name in Block Capitals:.....

(This form must be signed by the person to whom the craft was hired) . **Date**//

Date	Name & address of fuel retail outlet	Quantity (litres)	Price paid
			€
			€
			€
			€
			€
			€
Total purchased:			

**COMPLETED FORM IS TO BE GIVEN TO THE OPERATOR OF THE CRAFT-HIRE
BUSINESS AT THE END OF THE HIRE PERIOD**

MINERAL OIL TAX RETURN - YEAR-ENDING 31/12/2011 (Revised 07/12/2011) SUPPLIES OF HEAVY OIL TO CRAFT HIRED FROM OTHER OPERATORS FOR PRIVATE PLEASURE NAVIGATION

Refer to Revenue Guide "Excise Duty – Payment of Mineral Oil Tax on Heavy Oil (Diesel) used for Private Pleasure Navigation" for information on completing this form.

Name and Address of Craft Hire Operator (BLOCK LETTERS)	FOR OFFICIAL USE
Phone No.....Email.....	
PPS No. or VAT No. as appropriate.....	

I declare that a total of.....litres of Marked Gas Oil was supplied by the above Craft-Hire Operator to craft hired, for private pleasure navigation, from the craft-hire businesses listed overleaf during the calendar year ending 31 December 2011, thereby rendering it liable to Mineral Oil Tax in the amount shown hereunder. I undertake, on request, to produce any evidence which the Revenue Commissioners may require in support of this return.

ERN	Quantity (litres)	Rate per litre & dates during which applicable	Amount payable
7107		€0.37704 (1 Jan. to 06 Dec 2011)	€
		€0.39036 (07 Dec to 31 Dec 2011)	
Total payable			€

Signature of DeclarantDate/...../.....

Declarant's name in Block Capitals.....

Designation of Declarant

(This return must be signed by (a) the Craft Hire Operator, or (b) some person authorised by the Craft Hire Operator.)

Indicate Method of Payment (Tick appropriate box)

Cheque Bank Draft Money Order Postal Order

Completed forms to be sent to "THE REVENUE COMMISSIONERS, EXCISE ACCOUNTS" in the appropriate Region's office from the list below

- **Dublin Region:** 85-93 Lower Mount Street, Dublin 2.
- **South West Region - Cork:** Revenue House, Blackpool, Cork.
- **South West Region – Limerick:** Charlotte Quay, Limerick.
- **Border Midlands West Region:** Geata na Cathrach, Fairgreen, Galway.
- **East South East Region:** Government Offices, The Glen, Waterford.

CASHIER'S DATE
STAMP

.....Cashier

This return is a true account of all supplies of heavy oil (marked gas oil) by the declarant named on page 1 of this return to persons engaged in private pleasure navigation in craft hired from the craft hire businesses listed hereunder (*delete own business from list*) during the calendar year to which this return relates.

- Shannon Castle Line
- Emerald Star Ltd
- Carrick Craft
- Silver Line Cruisers Ltd
- Waveline Cruisers
- Locaboat

Combined authorisation by a boat-hire operator to permit others to make mineral oil tax returns and payments, in respect of private pleasure navigation, on his/her behalf, and undertaking to make true and accurate returns and payments in respect of private pleasure navigation, on behalf of other boat-hire operators.

.....

I hereby authorise the boat-hire operators listed below to make returns and payments on my behalf for mineral oil tax liabilities resulting from the sale by them of marked gas oil to persons engaged in private pleasure navigation in craft hired from my boat-hire business. Further to this, I hereby undertake to make true and accurate returns and payments on behalf of each of the boat-hire operators listed below in respect of the sale by me of marked gas oil to persons engaged in private pleasure navigation in craft hired from their boat-hire businesses.

Boat hire business name (delete whichever does not apply; i.e. your firm):

- Shannon Castle Line
- Emerald Star Ltd
- Carrick Craft
- Silver Line Cruisers Ltd
- Waveline Cruisers
- Locaboat

Signed:.....

Name of signatory:.....

(in BLOCK CAPITALS)

Designation:.....

(e.g. Company Secretary; Managing Director, Director etc.)

Date:.....

.....
Completed forms to be sent to "THE REVENUE COMMISSIONERS, EXCISE ACCOUNTS " in the appropriate Region's office from the list on the bottom of form PPN 3