



AUSTRALIAN CUSTOMS AND BORDER PROTECTION NOTICE NO. 2011/31

Exposure Drafts – Clean Energy and Alternative Fuels Legislation

Clean Energy

The Deputy Prime Minister and Treasurer, the Hon Wayne Swan MP, and the Minister for Climate Change and Energy Efficiency, the Hon Greg Combet AM MP, released on 28 July 2011 exposure drafts of the key bills in the Government's Clean Energy Legislative Package. The Prime Minister announced the Government's plan to tackle climate change for a clean energy future earlier in July.

The Customs Tariff Amendment (Clean Energy) Bill 2011 is one of those bills. Along with the Excise Tariff Legislation Amendment (Clean Energy) Bill 2011, the Tariff Amendment (Clean Energy) Bill 2011 would impose an effective carbon price on aviation and non-transport gaseous fuels through customs and excise tariffs. The Customs Tariff Amendment (Clean Energy) Bill 2011 also contains amendments to the *Customs Tariff Act 1995* that will link alterations to rates of duty in the *Excise Tariff Act 1921* to the relevant customs tariff subheadings.

You can find the Clean Energy Legislative Package (exposure draft legislation and explanatory material) on the Department of Climate Change and Energy Efficiency website at:

<http://climatechange.gov.au/government/submissions/clean-energy-legislative-package.aspx>

You can provide written submissions to the Department of Climate Change and Energy Efficiency on the draft legislation before **22 August 2011**.

Alternative Fuels

On 29 June 2011, the Taxation of Alternative Fuels legislation package received Royal Assent. The legislation is available on the ComLaw website. The legislation will apply from 1 December 2011. To support the legislation, changes to regulations are also required.

On 2 August 2011, the Assistant Treasurer, the Hon Bill Shorten MP, announced the release of exposure draft regulations and associated explanatory statements for public consultation.

The Customs Amendment Regulations for Alternative Fuels (LPG, LNG and CNG) will amend the *Customs Regulations 1926* to provide for remission of customs duty for LPG and LNG where those fuels are for use other than in an internal combustion engine in a motor vehicle or vessel. The regulations also make other minor consequential changes resulting from the imposition of customs duty on certain alternative fuels by the *Customs Tariff Amendment (Taxation of Alternative Fuels) Act 2011*. These changes will replicate the excise treatment provided for equivalent Australian produced fuels.

You can find the draft regulations and explanatory material on the Treasury website at:

<http://www.treasury.gov.au/contentitem.asp?NavId=002&ContentID=2114>

You can provide written submissions to the Treasury on the draft legislation before **15 August 2011**.

(Signed)
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3 August 2011