

House of Representatives

Supplementary Order Paper

Tuesday, 19 June 2018

Land Transport Management (Regional Fuel Tax) Amendment Bill

Proposed amendments

Hon Phil Twyford, in Committee, to move the following amendments:

Clause 5

In *clause 5, new section 65OA(2)*, replace “must” (page 15, line 1) with “must—”.

In *clause 5, new section 65OA(3)*, replace “accept an application for a person to become” (page 15, line 7) with “register a person as”.

In *clause 5*, after *new section 65OA* (page 15, after line 14), insert:

65OB Registration as user of fuel for exempt uses (and associated exempt-use-only locations)

- (1) A person may apply to the Agency to be registered as a user of fuel for exempt uses.
- (2) An application must—
 - (a) state the exempt uses for which fuel supplied to the applicant will be used; and
 - (b) describe 1 or more locations at which any fuel supplied to the applicant will be used exclusively for exempt uses (an **exempt-use-only location**); and
 - (c) for each exempt-use-only location, describe the systems, procedures, and practices of the applicant that will ensure—
 - (i) that fuel supplied to that location will be used exclusively for exempt uses; and
 - (ii) that adequate records will be kept that will allow the Agency to verify that fuel supplied to that location is used exclusively for exempt uses; and

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- (d) provide any other information that the Agency reasonably requires.
- (3) The Agency may register an applicant as a user of fuel for exempt uses, specifying 1 or more exempt-use-only locations for that person, if it is satisfied—
 - (a) as to any prescribed criteria for approval; and
 - (b) as to the matters set out in **subsection (2)(c)(i) and (ii)**.
- (4) For the purposes of a registration under this section, the Agency may treat an operator of a fuel outlet as a user of the fuel supplied to the operator at a particular location if all of that fuel will be used for exempt uses (by the operator or by the persons to whom the operator supplies the fuel), and, in such a case, this section applies with any necessary modifications.

Example

A Ltd operates a fuel outlet located on a wharf. Fuel supplied to that wharf location is, in turn, supplied exclusively to and used exclusively in commercial ships. The Agency can treat A Ltd as a user of the fuel supplied to it at the wharf location and assess an application from it under this section.

- (5) The Agency may make a registration under this section subject to any conditions, including any prescribed conditions, that it reasonably considers will ensure that the matters referred to in **subsection (2)(c)(i) and (ii)** are satisfied.

650C Registration not transferable or assignable

A registration under **section 650A or 650B** is not transferable or assignable.

650D Availability of information in registries

The Agency must make information in the registries referred to in **sections 650A and 650B** available to RF taxpayers to whom the information is relevant.

In *clause 5*, replace *new section 65W(1)* (page 19, line 37 to page 20, line 2) with:

- (1) This section applies with respect to—
 - (a) an RF taxpayer who has paid regional fuel tax on fuel under an RFT scheme; or
 - (b) a person to whom fuel has been supplied in an RFT region in the period beginning on the start date of the RFT scheme that applies in that RFT region and ending on the end date of that RFT scheme.

In *clause 5*, *new section 65X(4)*, replace “**subsection (3)**” (page 21, line 11) with “**subsection (1)(e) and (3)**”.

In *clause 5*, after *new section 65ZE(1)(b)* (page 25, after line 29), insert:

- (ba) prescribing matters in relation to registrations as a registered RF taxpayer under **section 650A** or registrations as a user of fuel for exempt uses under **section 650B**, including—
 - (i) prescribing details of the registries to be maintained by the Agency:
 - (ii) prescribing information to be provided together with, or in support of, applications for registration:
 - (iii) prescribing evidence that may be considered by the Agency in connection with applications for registration:
 - (iv) prescribing criteria that must be satisfied for registrations or factors to be considered by the Agency in making decisions related to registrations:
 - (v) prescribing conditions to which registrations may be made subject by the Agency, including conditions requiring periodic reporting to the Agency by the registered persons:
 - (vi) prescribing processes, procedures, or conditions relating to amendments to registrations, cancellations of registrations, or suspensions of registrations:
 - (vii) imposing duties on registered persons to inform the Agency of any change in the information provided in or with an application for registration, or in relation to a registration, or to inform the Agency of any new information relevant to a registration:

Explanatory note

This Supplementary Order Paper amends *clause 5* of the Land Transport Management (Regional Fuel Tax) Amendment Bill (the **Bill**) to insert *new sections 650B, 650C, and 650D* into the Land Transport Management Act 2003 (the **principal Act**). *New section 650B* provides for applications for registration as a user of fuel for exempt uses. *New section 650C* provides that a registration is not transferable or assignable. *New section 650D* allows registry information to be made available to persons liable to pay regional fuel tax.

It further amends *clause 5* of the Bill to insert *new section 65ZE(1)(ba)* into the principal Act. This new provision authorises the making of regulations relating to registrations as registered RF taxpayers or as users of fuel for exempt uses.

It also amends *clause 5* to make certain technical or editorial amendments, including—

- to insert a missing em dash in *new section 650A(2)*:

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- to clarify wording in *new section 65OA(3)*:
- to correct a cross-reference in *new section 65X(4)*.

Departmental disclosure statement

The Ministry of Transport is required to prepare a disclosure statement to assist with the scrutiny of this Supplementary Order Paper. The disclosure statement provides access to information about any material policy changes to the Bill and identifies any new significant or unusual legislative features of the Bill as amended.

A copy of the statement can be found at <http://legislation.govt.nz/disclosure.aspx?type=sop&subtype=government&year=2018&no=43>