STATUTORY INSTRUMENTS

2026 No. 555

EXCISE

The Excise Duties (Surcharges or Rebates) (Hydrocarbon Oils etc.) (Amendment) Order 2026

Made - - - -	*21st May 2026*
Laid before the House of Commons	*22nd May 2026*
Coming into force - -	*15th June 2026*

The Treasury make this Order in exercise of the powers conferred by sections 1(2) and 2(2) and (3) of the Excise Duties (Surcharges or Rebates) Act 1979(**a**).

Citation, commencement and effect

1.—(1) This Order may be cited as the Excise Duties (Surcharges or Rebates) (Hydrocarbon Oils etc.) (Amendment) Order 2026 and comes into force on 15th June 2026.

(2) Article 3 of this Order has effect in relation to products charged with duty under the Hydrocarbon Oil Duties Act 1979(**b**) on or after 15th June 2026.

Amendment of the Excise Duties (Surcharges or Rebates) (Hydrocarbon Oils etc.) (Temporary Continuation of 2022 Order and Adjustments) Order 2026

2.—(1) The Excise Duties (Surcharges or Rebates) (Hydrocarbon Oils etc.) (Temporary Continuation of 2022 Order and Adjustments) Order 2026(**c**) is amended as follows.

(2) In article 1—

(a) in paragraph (2), for "31st August 2026" substitute "31st December 2026";

(b) omit paragraph (3);

(c) in paragraph (4), for "1st December 2026" substitute "1st January 2027".

(3) In article 3, for "31st August 2026" substitute "31st December 2026".

(4) Omit articles 4 to 7.

(5) In articles 8 to 11, in each of the headings, for "1st December 2026" substitute "1st January 2027".

(**a**) 1979 c. 8 ("the Surcharges or Rebates Act"). Relevant amendments have been made by section 10(2) and (3) of the Finance Act 1980 (c. 48), section 10(1) and (2) of the Finance Act 1982 (c. 39) and section 11(4) of the Finance Act 1993 (c. 34). Section 2(2) of the Surcharges of Rebates Act provides that an order made under the Surcharges or Rebates Act shall cease to be in force at the expiration of a period of one year from the date on which it takes effect, unless continued in force by a further order; section 2(2) was substituted by section 10(3) of the Finance Act 1980.

(**b**) 1979 c. 5 ("the Oil Act").

(**c**) S.I. 2026/164.

Amendment of the Excise Duties (Surcharges or Rebates) (Hydrocarbon Oils etc.) Order 2022

3. In the Excise Duties (Surcharges or Rebates) (Hydrocarbon Oils etc.) Order 2022(**a**), in article 4(**b**), for each of rows (b), (c), (f) and (g) in Table C—

(a) in column (C), for "2.05" substitute "9.96";

(b) in column (D), for "0.1018" substitute 0.0648".

Taiwo Owatemi
Gen Kitchen

21st May 2026 Two of the Lords Commissioners of His Majesty's Treasury

(**a**) S.I. 2022/365. That Order provides for adjustments of liabilities to excise duty and rights of rebate in respect of excise duty in accordance with sections 1(2) and 2(3) of the Surcharges or Rebates Act. Section 2(2) of that Act (which applies in respect of orders under section 1 - see section 2(1)) provides that an order shall cease to be in force at the expiration of a period of one year from the date on which it takes effect, unless continued in force by a further order. S.I. 2026/164 and previous similar orders operated to provide that S.I. 2022/365 continues in force until 31st August 2026. This Order amends S.I. 2026/164 so that S.I. 2022/365 continues in force until the end of 31st December 2026.

(**b**) Article 4 provides for adjustments of rights to rebate of duties charged under the Oil Act. Section 1(4) of the Surcharges or Rebates Act provides: "The adjustment under this section of a right to any drawback, rebate or allowance in respect of a duty or goods charged with a duty shall be made where the right arises while the order is in force with respect to the duty (whenever the duty became due); but in calculating the amount to be adjusted any adjustment under this section of the liability to the duty shall be disregarded". In the Oil Act, the rebates are set by reference to the underlying rate of duty that applies to the product, which are also set in the Oil Act. The adjusted rebate (as provided by article 4) is also calculated by reference to the underlying rate of duty set by the Oil Act that applies to the product, and not by reference to that rate as adjusted by article 3 of S.I. 2022/365. The percentage addition to the right to rebate is calculated accordingly.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 15th June 2026, makes amendments to the Excise Duties (Surcharges or Rebates) (Hydrocarbon Oils etc.) (Temporary Continuation of 2022 Order and Adjustments) Order 2026 ("2026 Order") and the Excise Duties (Surcharges or Rebates) (Hydrocarbon Oils etc.) Order 2022 ("2022 Order") to extend the fuel duty freeze and make a temporary further reduction to the rebated rate for red diesel. The amendments make temporary adjustments to the liabilities to excise duty (and, where applicable, the rights to rebate in respect of such duty) in respect of liquid fuels that are chargeable by virtue of the Hydrocarbon Oil Duties Act 1979 ("the Oil Act"). The adjustments made by this Order are all in the form of a deduction from the amount payable (or an addition to the amount of rebate allowable) of a specified percentage not exceeding 10 percent.

Article 2 amends the 2026 Order to provide for the continuation of the 2022 Order until the end of 31st December 2026. The 2022 Order provides for adjustments of liabilities to excise duty and rights of rebate in respect of excise duty in accordance with sections 1(2) and 2(3) of the Excise Duties (Surcharges or Rebates) Act 1979. Section 2(2) of that Act (which applies in respect of orders under section 1 - see section 2(1)) - provides that an order shall cease to be in force at the expiration of a period of one year from the date on which it takes effect, unless continued in force by a further order. The 2022 Order was continued in force by S.I. 2023/329, S.I. 2024/300 and S.I. 2025/228 before the latest continuation provision made by the 2026 Order.

Article 3 amends the 2022 Order, to adjust the right to rebate by an addition to the amount of rebate allowable in respect of duty charged on gas oil, kerosene to which section 13AA of the Oil Act applies, biodiesel and bioblend of 9.96% until the 2022 Order ceases to have effect on 31 December 2026. For ease of reference and comprehension of effect, the figure in column (D) of Table C in the 2022 Order has been amended to indicate the correct amount of excise duty payable after the adjustment is made.

A Tax Information and Impact Note covering this instrument will be published on the website at https://www.gov.uk/government/publications/amended-fuel-duty-rates-for-2026-to-2027.

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