HYDROCARBON OILS

The Hydrocarbon Oils Regulations, 1948

1948 No. 2132

Made - - - - *20th September,* 1948
Coming into Operation *1st October,* 1948

The Commissioners of Customs and Excise in pursuance of the powers conferred upon them by section 3 of the Finance Act, 1928(a), section 2 of the Finance Act, 1934(b), and section 8 of the Finance (No. 2) Act, 1945(c), and of all other powers enabling them in that behalf, hereby make the following Regulations:—

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(a) 18 & 19 Geo. 5. c. 17. (b) 24 & 25 Geo. 5. c. 32.
(c) 9 & 10 Geo. 6. c. 13.

GENERAL

1. *Short title, etc.*—(1) These Regulations may be cited as " the Hydrocarbon Oils Regulations, 1948 ", and shall come into operation on the first day of October, 1948.

(2) As from the date of the coming into operation of these Regulations, the Hydrocarbon Oils Regulations, 1945(**a**), shall cease to have effect.

(3) In so far as it may be necessary to meet the circumstances of any special case or class of cases, the Commissioners may modify the application of anything in these Regulations, subject to such conditions as they may direct.

(4) The Interpretation Act, 1889(**b**), applies to the interpretation of these Regulations as it applies to the interpretation of an Act of Parliament.

2. *Definitions.*—In these Regulations unless the context otherwise requires each of the following expressions shall have the meaning hereby assigned to it:—

" Commissioners " means Commissioners of Customs and Excise.

" Officer " means Officer of Customs and Excise.

" Proper Officer " means the Officer of the Station in which a warehouse or refinery is situated, and includes a person acting for that Officer and also any Officer superior in matters of Customs and Excise.

" Approved " means approved by the Commissioners.

" Hydrocarbon oils ", " light oils " and " refinery " have the same meanings as in section 2 of the Finance Act, 1928.

" Indigenous hydrocarbon oils " has the same meaning as in section 8 of the Finance (No. 2) Act, 1945.

" Mixtures " means mixtures of imported hydrocarbon oils, or of hydrocarbon oils produced in the United Kingdom from imported materials, with indigenous hydrocarbon oils.

" Warehouse " means a place approved as a place in which goods entered to be warehoused may be lodged, kept and secured.

" Warehousekeeper " means a proprietor or occupier of a warehouse approved for the warehousing of hydrocarbon oils.

" Refiner " means the proprietor or occupier of a refinery.

" Vessel " includes a tank or any other storage place and also a still and any kind of utensil.

" Tank Craft " means any ship or other craft equipped with tanks for the conveyance of hydrocarbon oils.

3. *Refineries to be deemed warehouses.*—A refinery shall be deemed to be a Customs warehouse and, subject to the provisions of the Finance Acts, 1928, 1934 and 1935(**c**), the Finance (No. 2) Act, 1945, and the Finance Act, 1947(**d**), and of these Regulations, the provisions of the Customs Acts relating to warehouses and to goods therein shall apply to any refinery and to goods therein.

4. *Provisions as to vessels and pipes.*—A warehousekeeper or a refiner—

(1) shall not use any vessel in a warehouse or in a refinery unless the same bears conspicuous distinguishing marks and has been approved by the Commissioners;

(2) shall furnish to the Commissioners tables of the capacity of all vessels in the warehouse or the refinery showing the number of gallons which each such vessel is capable of containing according to the depth of liquid contained therein;

(**a**) S.R. & O. 1945 (No. 1648) I, p. 700. (**b**) 52 & 53 Vict. c. 63.
(**c**) 25 & 26 Geo. 5. c. 24. (**d**) 10 & 11 Geo. 6. c. 35.

(3) shall provide to the satisfaction of the Commissioners safe means of access for Officers to all vessels in the warehouse or the refinery, and to all dipping places therein; and

(4) shall not alter, add to, remove or demolish any vessels or pipes in the warehouse or refinery, unless he has given two days' previous notice in writing to the proper Officer.

5. *Officer may take samples.*—A warehousekeeper or a refiner shall allow an Officer to take samples of any hydrocarbon oils or products of such oils, and of any mixtures of such oils or products, in the warehouse or the refinery.

6. *Warehousekeeper or refiner not to hinder or deceive the Officer.*—A warehousekeeper or a refiner shall not make any attempt, or use any device, to prevent or hinder an Officer from ascertaining the gravity, quantity, weight or description of any hydrocarbon oils or of any products thereof in the warehouse or the refinery, or to deceive him in taking the dip, gauge or weight of any vessel, or produce to an Officer any account or return which is untrue in any material particular.

7. *Warehousekeeper or refiner to provide instruments, etc.*—A warehousekeeper or refiner shall on demand by an Officer made at the warehouse or the refinery either by day or night, and for the purpose of enabling him to search for or examine any vessel or to take account of any hydrocarbon oils or products of such oils therein, provide accurate measuring instruments and weighing appliances and ladders of sufficient length and strength and place such ladders firmly and conveniently and supply sufficient lights and aid.

8. *Warehousekeeper or refiner to assist the Officer in taking account of stock.*—A warehousekeeper or refiner shall, when required by an Officer so to do, assist him by a sufficient number of servants in taking account of his stock.

9. *Provisions of Spirits Act, 1880, to apply in the case of hydrocarbon oils.*—The following provisions of the Spirits Act, 1880(**a**), shall apply in the case of hydrocarbon oils as if the expressions " hydrocarbon oils and the products thereof "; " warehousekeeper or refiner "; " refinery "; " refining or use "; and " materials " were for the purpose of these Regulations substituted for the expressions " spirits "; " Excise trader " and " Distiller or rectifier "; " distillery "; " manufacture "; and " liquor " respectively, that is to say—

Section 78, which applies to the mode of calculating the quantity of spirits warehoused;

Section 135, subsections (1), (2), (3) and (4), which apply to the provision of scales, weights and measures;

Section 137, subsection (1), which applies to the power of entry and examination by Officers, and

Section 139, which applies to the power to search for pipes in or near the premises of a distiller or rectifier.

Receipts and Deliveries

10. *Hydrocarbon oils which may not be received into warehouse.*—A warehousekeeper shall not receive into the warehouse—

(1) imported hydrocarbon oils, or hydrocarbon oils produced in the United Kingdom from imported hydrocarbon oils, which have previously been delivered for home consumption, unless such hydrocarbon oils are—

(*a*) brought back to the warehouse from which they were so delivered solely by reason of their not having been delivered at the place at which they were intended to be delivered;

(**a**) 43 & 44 Vict. c. 24.

(*b*) unused oils brought into any warehouse solely for treatment to remove contamination which they have undergone;

(*c*) received into a refinery approved for the treatment of such oils, or

(*d*) fuel oils or kerosene in respect of which a rebate of duty has been allowed and of which the receipt into the warehouse has been approved by the Commissioners:

(2) indigenous hydrocarbon oils, unless such oils are—

(*a*) brought into a warehouse for the purpose of being mixed with imported hydrocarbon oils, or with hydrocarbon oils produced in the United Kingdom from imported materials, or

(*b*) brought into a refinery for the purpose of being used therein, otherwise than for the purpose of refining to produce other oils or solid or semi-solid residues.

11. *Notice of receipts.*—A warehousekeeper or refiner shall give to the proper Officer such notice at such times as the Commissioners may require of the receipt of any hydrocarbon oils or products thereof, of the vessels in which they are to be deposited, and of the contents of such vessels before and after such oils, or products thereof, are deposited therein.

12. *Certificates of receipts and deliveries.*—A warehousekeeper or refiner shall furnish to the proper Officer such certificates as the Commissioners may require of the receipt, use and disposal of hydrocarbon oils and products thereof received at, or sent out from, the warehouse or refinery.

13. *Delivery notes.*—A warehousekeeper or refiner shall not without the permission of the Commissioners send out or remove, or suffer to be sent out or removed, from a warehouse or refinery any hydrocarbon oils or any products thereof unless he has issued to the purchaser or his agent, in respect of such oils or products, a delivery note in such form and containing such particulars as the Commissioners may require.

14. *Tank wagons, tank craft or other containers already containing hydrocarbon oils.*—Upon the arrival at a warehouse or a refinery of any tank wagon, tank craft or other container which already contains any hydrocarbon oils or products thereof, and into which any further hydrocarbon oils or products thereof are to be loaded from such warehouse or refinery, the warehousekeeper or refiner shall immediately, and before any further hydrocarbon oils or products thereof are loaded from such warehouse or refinery into such wagon, craft, or other container, enter in an approved book such particulars as the Commissioners may require of the hydrocarbon oils or products thereof already contained in the wagon, craft or other container.

Operations and Use

15. *Operations in warehouse.*—A warehousekeeper shall not, in any warehouse which has not been approved as a refinery—

(1) mix light oils with other hydrocarbon oils so as to produce an oil which is not a light oil;

(2) mix any fuel oils, gas oils or kerosene in respect of which rebate of duty at an increased rate is allowed under subsection (1) of section 1 of the Finance Act, 1947, with any other hydrocarbon oils on which a rebate of duty is allowed, or

(3) subject any hydrocarbon oils to distillation, cracking or any other treatment except the processes of straining or other similar methods of cleaning, filling into containers and (save as aforesaid) mixing.

16. *Notice of use in refinery.*—A refiner, if so required by the Commissioners, shall give written notice to the proper Officer before any oils are set aside for use in a refinery, and oils so set aside shall not be diverted to any other purpose.

17. *Claims for allowance on indigenous oils.*—All claims for allowance in respect of indigenous oils used shall be furnished to the proper Officer at such times and in such manner as the Commissioners may require.

18. *Refining.*—No person shall refine elsewhere than in a refinery—

(*a*) imported hydrocarbon oils (whether alone or in admixture with other hydrocarbon oils), or

(*b*) hydrocarbon oils produced in the United Kingdom from imported materials.

ACCOUNTS AND RETURNS

19. *Accounts to be kept by a warehousekeeper or refiner.*—(1) A warehousekeeper or refiner shall keep accounts in which all hydrocarbon oils or products thereof shall be distinguished according to such descriptions as the Commissioners may from time to time direct.

(2) The accounts shall include particulars—

(*a*) of each consignment of hydrocarbon oils and products thereof received into the warehouse or refinery, showing the date of receipt, the place from which received, the description and quantity of the oils or products and the distinguishing marks and numbers of the vessel or vessels in which each consignment is stored;

(*b*) in the case of a warehouse which is not a refinery, of all operations which have taken place therein, including particulars of all hydrocarbon oils used therein;

(*c*) in the case of a refinery, of all oils taken for refining and of the products of such refining; of all oils used for the purpose of generating heat, light or power; of all oils taken for use in the refinery for purposes other than refining or the generation of heat, light or power; and of the products (of whatever kind) of such use, showing the quantity and description of all oils from which any gases were produced and the quantities of all gases so produced, and

(*d*) of the delivery from the warehouse or refinery of all hydrocarbon oils and products thereof, showing in respect of each consignment delivered the date of delivery, the description and quantity of the oils or products and the name and address of the person to whom they were delivered.

(3) Particulars of any mixtures shall show the proportions and quantities of all different oils contained in the mixtures.

(4) The particulars required by this Regulation to be given of the receipt, delivery and taking for use of hydrocarbon oils and products thereof shall be entered in the accounts not later than noon of the day following that on which the oils or products are received, delivered or taken for use.

(5) If any hydrocarbon oils are brought into a warehouse or refinery after having previously been delivered for home consumption, or if indigenous hydrocarbon oils are received into a warehouse or refinery in the manner authorised by Regulation 10 of these Regulations, the accounts shall include such particulars as will enable all such oils to be distinguished by the proper Officer from any other oils in the warehouse or refinery.

(6) The accounts shall include a balanced stock account made up to the end of each calendar month, showing the quantity and description of all

hydrocarbon oils, and of such products thereof as the Commissioners may require, which are in each vessel in the warehouse or refinery at the time of the stocktaking.

(7) The accounts shall show liquid quantities in imperial gallons and also, if the Commissioners in any case so require, in standard gallons, that is to say, the number of gallons which any oils having a temperature exceeding sixty degrees Fahrenheit would have measured if the temperature thereof had been sixty degrees Fahrenheit; and shall show quantities of gases and of other products by such standards of measurement as the Commissioners may require.

20. *Returns and stock accounts to be rendered by warehousekeeper or refiner.*—(1) A warehousekeeper or refiner shall render in such form as the Commissioners may require—

(*a*) in respect of the periods ending on the 8th, 15th, 22nd and last days of each calendar month (or alternatively the periods ending on the 10th, 20th and last days of each such month), returns of all hydrocarbon oils, including composite articles and mixtures containing hydrocarbon oils, received into and delivered from the warehouse or refinery, and

(*b*) in respect of each calendar month, a balanced stock account showing the quantities of hydrocarbon oil of each description brought forward from the previous month, the quantities received and delivered, and the quantities remaining in stock at the end of the month.

(2) A refiner shall render, in such form as the Commissioners may require, a return in respect of each calendar month showing the quantities and descriptions of hydrocarbon oils taken for refining or use and of the products of each description from refining and use.

(3) The returns and stock accounts required by this Regulation to be rendered shall be rendered to the proper Officer immediately upon the expiration of the respective periods to which they relate.

21. *Provisions as to false entries in accounts, returns, etc., and as to the signing of returns.*—(1) No person shall make any untrue entry in any book, account, record, return, delivery note, invoice or other document required by these Regulations to be kept or rendered by a warehousekeeper or refiner or otherwise relating to the business of a warehousekeeper or refiner.

(2) If any entry is by inadvertence incorrectly made in any such book or other document the entry shall be corrected by drawing a straight line through the incorrect word or words or figure or figures and by writing the correct words or figures immediately above, and the correction shall be initialled by the person who makes it.

(3) All returns required by these Regulations to be rendered shall be signed by the warehousekeeper or refiner, and in the case of a Company shall be signed by the managing director or the secretary and in the case of a firm by a partner; or in any case by a person duly authorised in writing in that behalf by the warehousekeeper or refiner.

22. *Documents to be kept at the warehouse or refinery and to be open to inspection by an Officer.*—A warehousekeeper or refiner—

(1) shall keep at the warehouse or refinery all books, accounts, records, orders, delivery notes or copies thereof, weight notes, invoices and other documents required by these Regulations to be kept, or relating

to the receipt, refining or use of hydrocarbon oils or gases derived therefrom at the warehouse or refinery, and to the delivery of hydrocarbon oils and products derived from the use thereof from the warehouse or refinery, including any such books, accounts, records, orders, delivery notes or copies thereof, weight notes, invoices and other documents aforesaid as have been filled up or taken out of use within the preceding twelve months, and shall on demand produce the same to any Officer, who may make entries therein and take extracts therefrom, and

(2) shall keep at the warehouse or refinery, and shall produce to any Officer on demand at any time, the tables of the measurements or capacity of the vessels in the warehouse or refinery.

Signed by Order of the Commissioners of Customs and Excise.

E. S. Bertenshaw,
Secretary for the Customs and Excise.

City Gate House,
London, E.C.2.
20th September, 1948.

EXPLANATORY NOTE

(This Note is not part of the Regulations, but is intended to indicate their general purport.)

The Commissioners of Customs and Excise have made these Regulations following changes in the law and they differ from the Hydrocarbon Oils Regulations, 1945, which they supersede, mainly in consequence of these changes which are as follows:—

Section 8 (2) of the Finance (No. 2) Act, 1945, provided for the charging of customs duty in certain cases on hydrocarbon oils used in a refinery for generating heat, light or power or for producing gas. This subsection has been repealed and consequently section 5 of the Finance Act, 1946, which allowed a rebate of duty on light oils used in a refinery for producing gas, (making the effective charge on all oils used for producing gas 1d. a gallon) has also been repealed.

Section 8 (3) of the Finance (No. 2) Act, 1945, provided for the charging of customs duty in certain circumstances on the removal of hydrocarbon oils to a refinery (called a " non-warehouse refinery ") instead of on their delivery from a refinery. The repeal of this subsection in effect abolished the " non-warehouse refinery " and that part of the old Regulations which dealt with non-warehouse refineries has been omitted from the new Regulations.

In addition to these changes, the Regulations have been extended to provide against the mixing of fully with partly rebateable oils as a result of the grant of full instead of partial rebate on certain oils, namely fuel oils, gas oils and kerosene. Otherwise the 1945 Regulations have been varied only in minor details to conform with present day practice.