

EXPOSURE DRAFT

2010-2011

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

EXPOSURE DRAFT

Ethanol Production Grants Bill 2011

No. , 2011

(Treasury)

**A Bill for an Act to provide for grants for ethanol
manufactured in Australia, and for related
purposes**

EXPOSURE DRAFT

Contents

Part 1—Preliminary	1
1 Short title.....	1
2 Commencement.....	2
Part 2—Entitlement to grant	3
3 Entitlement.....	3
4 Amount of grant.....	4
Part 3—Miscellaneous	5
5 Regulations.....	5

EXPOSURE DRAFT

1 **A Bill for an Act to provide for grants for ethanol**
2 **manufactured in Australia, and for related**
3 **purposes**

4 The Parliament of Australia enacts:

5 **Part 1—Preliminary**
6

7 **1 Short title**

8 This Act may be cited as the *Ethanol Production Grants Act 2011*.

EXPOSURE DRAFT

10TPart 110T Preliminary

Section 12T212T

1 **2 Commencement**

2 (1) Each provision of this Act specified in column 1 of the table
3 commences, or is taken to have commenced, in accordance with
4 column 2 of the table. Any other statement in column 2 has effect
5 according to its terms.
6

Commencement information

Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
1. Sections 1 and 2 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	
2. Parts 2 and 3	1 December 2011. However, the provision(s) do not commence at all if any of the following do not commence on 1 December 2011: (a) Part 1 of Schedule 1 to the <i>Excise Tariff Amendment (Taxation of Alternative Fuels) Act 2011</i> ; (b) Part 1 of Schedule 1 to the <i>Customs Tariff Amendment (Taxation of Alternative Fuels) Act 2011</i> ; (c) Schedules 2 and 3 to the <i>Taxation of Alternative Fuels Legislation Amendment Act 2011</i> .	

7 Note: This table relates only to the provisions of this Act as originally
8 enacted. It will not be amended to deal with any later amendments of
9 this Act.

10 (2) Any information in column 3 of the table is not part of this Act.
11 Information may be inserted in this column, or information in it
12 may be edited, in any published version of this Act.
13

2 *Ethanol Production Grants Bill 2011* No. , 2011

EXPOSURE DRAFT

EXPOSURE DRAFT

Entitlement to grant 10TPart 210T

Section 12T312T

1

2

Part 2—Entitlement to grant

3

4

3 Entitlement

5

(1) You are entitled to a grant for ethanol if:

6

(a) you manufacture the ethanol in Australia in the period:

7

(i) starting on 1 December 2011; and

8

(ii) ending at the end of 30 June 2020; and

9

(b) the feedstock for the manufacture was from:

10

(i) plants or waste, except from fossil fuels; or

11

(ii) another source prescribed by the regulations; and

12

(c) at the time of the manufacture, you are a licensed

13

manufacturer under the *Excise Act 1901* and your

14

manufacturer licence under that Act authorises you to

15

manufacture ethanol; and

16

(d) the ethanol is either:

17

(i) classified to subitem 10.20 of the Schedule to the *Excise
Tariff Act 1921*; or

18

(ii) included in a blend classified to subitem 10.7, 10.11 or
10.30 of that Schedule; and

19

(e) you have paid the excise duty payable on the ethanol or the
blend including the ethanol; and

22

23

(f) you are registered under section 9 of the *Product Grants and
Benefits Administration Act 2000* for entitlement to the grant.

24

25

Note 1: The definition of *you* in section 5 of the *Product Grants and Benefits
Administration Act 2000* applies to this Act too.

26

27

Note 2: You cannot receive the grant unless you claim payment of it for a
claim period in which the entitlement arose: see section 15 of the
Product Grants and Benefits Administration Act 2000. Section 25, 29,
30, 31, 32, 33 or 34 of that Act may also deny you the grant.

28

29

30

31

(2) To avoid doubt, you are not entitled to a grant for ethanol if you:

32

(a) manufacture the blend mentioned in subparagraph (1)(d)(ii)
without manufacturing the ethanol included in the blend; or

33

EXPOSURE DRAFT

10TPart 210T Entitlement to grant

Section 12T412T

- 1 (b) manufacture the ethanol by another process (such as
2 denaturing the ethanol) using ethanol imported into Australia.
- 3 (3) You are not entitled to more than one grant for the same ethanol.
- 4 (4) You are not entitled under this section to a grant for ethanol if
5 anyone is or was entitled to a grant for the ethanol under a funding
6 agreement with the Commonwealth connected with a program
7 called the Ethanol Production Grants Program.

8 **4 Amount of grant**

9 Work out the amount of your grant for ethanol by multiplying the
10 volume of the ethanol in litres by the rate shown in the table for the
11 time worked out under section 59 of the *Excise Act 1901* for
12 determining the rate of excise duty you pay on the ethanol or the
13 blend including the ethanol.
14

Rate of grant for ethanol		
Item	If that time is:	The rate is:
1	After 30 November 2011 and before 1 July 2012	\$0.2375 a litre
2	After 30 June 2012 and before 1 July 2013	\$0.194 a litre
3	After 30 June 2013 and before 1 July 2014	\$0.1505 a litre
4	After 30 June 2014 and before 1 July 2015	\$0.106 a litre
5	After 30 June 2015 and before 1 July 2016	\$0.0625 a litre
6	After 30 June 2016 and before 1 July 2017	\$0.05 a litre
7	After 30 June 2017 and before 1 July 2018	\$0.0375 a litre
8	After 30 June 2018 and before 1 July 2019	\$0.025 a litre
9	After 30 June 2019	\$0.0125 a litre

15 Note: The grant is only for ethanol manufactured before 1 July 2020, even if
16 the time for working out the rate of excise duty is on or after that day.
17

EXPOSURE DRAFT

Miscellaneous 10TPart 310T

Section 12T512T

1

2 **Part 3—Miscellaneous**

3

4 **5 Regulations**

5 The Governor-General may make regulations prescribing matters:

6 (a) required or permitted by this Act to be prescribed; or

7 (b) necessary or convenient to be prescribed for carrying out or
8 giving effect to this Act.

Ethanol Production Grants Bill 2011 No. , 2011 5

EXPOSURE DRAFT