

Budget 2008



BN84

12 March 2008

CLIMATE CHANGE LEVY: RATES

Who is likely to be affected?

1. Suppliers and others liable to account for the climate change levy.

General description of the measure

2. Legislation will be introduced in Finance Bill 2008 to increase the rates of climate change levy for 2009-10, broadly in line with inflation. The rates will be:

Taxable commodity	Rates
Electricity	£0.00470
Gas supplied by a gas utility or any gas supplied in a gaseous state that is of a kind supplied by a gas utility	£0.00164
Any petroleum gas, or other gaseous hydrocarbon, supplied in a liquid state	£0.01050
Any other taxable commodity	£0.01281

Operative date

3. The new rates shown in paragraph 2 above will have effect for supplies of taxable commodities treated as taking place on or after 1 April 2009.

Current law and proposed revisions

4. Paragraph 42(1) of Schedule 6 to the Finance Act (FA) 2000 contains the rates of climate change levy. FA 2007 amended paragraph 42 to provide for the new rates on and after 1 April 2008. These rates from 1 April 2008, which were increased broadly in line with inflation, will be:

Taxable commodity	Rates
Electricity	£0.00456 per kilowatt hour
Gas supplied by a gas utility or any gas supplied in a gaseous state that is of a kind supplied by a gas utility	£0.00159 per kilowatt hour
Any petroleum gas, or other gaseous hydrocarbon, supplied in a liquid state	£0.01018 per kilogram
Any other taxable commodity	£0.01242 per kilogram

5. Paragraph 42(1) of Schedule 6 to FA 2000 will be amended again to provide for the rates that will have effect on and after 1 April 2009.

Further advice

6. If you have any questions about this change, please contact the National Advice Service on 0845 010 9000. Information about Budget measures is available on the HM Revenue & Customs website at www.hmrc.gov.uk