



Red Diesel for Grounds Maintenance - The Law

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- **NAAC**
- **Red Diesel**
- **The law and interpretation**
- **What does this mean for you?**

1. NAAC

- Trade association representing agriculture and amenity contractors
- Lead role in producing red diesel guide launched in Jan 2008
- **NOT HMRC** – individual cases!

2. Red Diesel

- Marked with red dye to avoid fraudulent use
- Reduced duty payable

	2008-2009 Duty*	Price at pump
Diesel	52.35ppl	99.9ppl
Rebated Fuel - red	10.07ppl	40ppl

*From 1 December 2008.

- Significant saving – but use is limited by law

- Introduced as vehicle concession for tractors in **1935**



3. The law

- Hydrocarbon Oil Duties Act, 1979 - Schedule 1
- 2 December 2004: HMRC & HM Treasury consultation: Proposed Changes to Excepted Vehicle Schedule
[Reviewed list of vehicles entitled to use red diesel](#)
- Excepted Vehicles (Amendment of Schedule 1 to the Hydrocarbon Oil Duties Act, 1979) Order 2006

➤ **Amended Schedule 1 (red diesel use on roads)**

Vehicles used solely for 'agriculture, horticulture or forestry'

- Tractors
- Light agricultural vehicles (eg ATV)
- Agricultural materials handlers
- Used between different parts of land
- Others (*eg agric. processing vehicles, agric engines*)

****Others****

- Tractors for cutting verges, hedges on public roads
- Unlicensed vehicles not used on public roads
- Mowing machines
- Snow clearing vehicles and gritters
- Plus Digging machines, mobile cranes, construction, road rollers etc)
- **BUT what defines agric, hort, forestry use?**

Memorandum of Agreement

January 2008



Not legally binding & represents a shared interpretation of the law
for road use of red diesel

AGREED GUIDANCE!



4. What does it mean for amenity?

- **Defines tractor** use in 'agriculture, horticulture and forestry'

Does allow

- ✓ cut verges bordering public roads
- ✓ cut trees or hedges bordering public roads or bordering verges which border public roads.

Does **NOT** allow

- ✗ Landscaping, maintenance of recreational facilities, including beaches. ie amenity use

➤ WHAT CAN YOU DO IN AMENITY SECTOR?

➤ USE TRACTORS on red diesel for:

- ✓ cut verges bordering public roads
- ✓ cut trees or hedges bordering public roads or bordering verges which border public roads
- ✓ OFF-ROAD operations provided the tractor is not used on the road and does not cross a road - unlicensed (SORN)



➤ WHAT CAN YOU DO IN AMENITY SECTOR?

➤ USE OTHER VEHICLES on red

- ✓ Mowing machines (purpose built)
- ✓ OFF-ROAD operations provided the vehicle is unlicensed (SORN) and moved to site without going on the road (ie on low-loader) eg ATV, land rover etc
- ✓ Snow clearing - public roads
- ✓ Gritting



➤ **WHAT CAN'T YOU DO IN AMENITY SECTOR ON RED?**

- ✘ Amenity work using the public roads on agricultural tractors, ATV's and other vehicles (unless previously listed)

- eg parks, highways weed control, golf courses, playing fields etc



- ✘ Cutting verges and hedges NOT bordering a public road (eg on an industrial estate) – unless vehicle is taken to site on a low-loader

➤ Change of Use

If you wish to use a tractor for amenity work (not exempted) then it must be:

- ✓ relicensed in the appropriate VED category (PLG taxation or general haulage if towing a trailer)
- ✓ White diesel must be used



~~Red~~ White Diesel for Grounds
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