

Excise

Guide to Horticultural Production Relief

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Revenue

Cáin agus Custaim na hÉireann
Irish Tax and Customs



The information in this document is provided as a guide only and is not professional advice, including legal advice. It should not be assumed that the guidance is comprehensive or that it provides a definitive answer in every case.

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1 Introduction

Section 98 of the Finance Act 1999 provides for the partial repayment of Mineral Oil Tax paid on heavy oil (i.e. diesel, kerosene and fuel oil) and liquefied petroleum gas (LPG) used in horticultural production and in the cultivation of mushrooms. Claims for repayment must be submitted electronically through the e-Repayment Claims facility of the Revenue Online Services (ROS).

2 Qualifying Criteria

2.1 Qualifying Criteria for Horticultural Production and Cultivation of Mushrooms

To qualify for repayment, the heavy oil and LPG must be used by the producer:

- (a) In the production of horticultural produce in one or more than one glasshouse* of a total area of not less than a quarter of an acre, or
- (b) In the cultivation of mushrooms in one or more than one building or structure of a total area of not less than 3,000 square feet.

***Glasshouse**, in accordance with Mineral Oil Tax law¹, means any building or structure made substantially of glass or other transparent or translucent material which is capable of being artificially heated and which is used for growing horticultural produce.

2.2 Qualifying Criteria for Heavy Oil and L.P.G

Heavy oil or L.P.G. which is purchased tax-paid in the State, when used in qualifying glasshouses or buildings for the growth of horticultural products or in the cultivation of mushrooms, is eligible for repayment of Mineral Oil Tax, if used:

- to heat the glasshouses or premises;
- to produce steam for the purpose of sterilising mushroom tunnels, glasshouses or buildings either before, during or after the growing cycle;
- in the heating and sterilisation of earth, or other growing medium;

for the production of carbon dioxide.

Heavy oil / L.P.G. used in the following circumstances will not qualify for relief:

- in drying and packing the produce;
- in flame guns, stationary engines, tractors, or buildings other than as defined.

¹ Section 94(1) Finance Act 1999 (as amended)

3 Claiming a Repayment

3.1 Claim Form

Claims for repayment are to be made electronically on Form 1130 through the e-Repayment Claims facility on ROS.

Only in the following circumstances should a hard copy of either form be submitted, that is where:

- (a) The form is being submitted by a new claimant who has not previously submitted a repayment form; or,
- (b) Submission via the e-Repayment Claims facility is not possible and the claimant has received prior approval from the Central Repayments Office to submit a hard copy.

Claimants, who have not previously submitted a repayment claim, prior to submitting an initial registering claim, will be unable to use the e-Repayments facility. They are required to submit their first claim using a hard copy form. Subsequent claims must, barring the circumstances outlined at (b) above, be submitted electronically. Hard copies of Form 1130 are available upon request from the Central Repayments Office.

Please see the [e-Repayment Claims Facility User Guide](#) for details on how to submit an electronic repayment claim, along with any requisite documentation, via the e-Repayment Claims facility.

3.2 Rates of Repayment

The repayment amount per litre consists of the Mineral Oil Tax paid less a fixed amount known as a “pre-determined rate”. The current pre-determined rate is set down in legislation (section 98 Finance Act 1999 (as amended)). For heavy oil the pre-determined rate is €90.42 per 1,000 litres and for liquefied petroleum gas the pre-determined rate is €60.26 per 1,000 litres. Where the rate of Mineral Oil Tax is lower than the pre-determined rate, no repayment is due (the effective repayment rate is zero). Further information and a sample calculation is available in the table below.

As from the 1st May 2021, the net rates of repayment are:

Mineral Oil Product	Mineral Oil Tax Rate (per 1,000 litres)	Pre-determined rate (per 1,000 litres)	Net Repayment Rate <i>per litre</i>
Marked Gas Oil	€138.17	€90.42	€0.04775
Marked Kerosene	€84.84	€90.42	€0.00
Fuel Oil	€118.01	€90.42	€0.02759
L.P.G. (other)	€54.68	€60.26	€0.00

Example:

A taxpayer wants to claim a repayment for 1,000 litres of Marked Gas Oil used for horticultural production.

Mineral Oil Tax Rate (**A**) = €138.17

Predetermined rate as set out in legislation (**B**) = €90.42

Repayment amount (**A-B**) = €138.17 – €90.42 = €47.75

These rates may change if the related Mineral Oil Tax rate is changed in the annual Budget or through a Finance Act provision. Current repayment rates may be verified by contacting the Central Repayments Office. The relevant Mineral Oil Tax rates are available from the [Revenue website](#). Where changes to the rates of Mineral Oil Tax occur, the revised repayment will only apply to heavy oil / LPG purchased subsequent to the rate change.

3.3 Claim Period and Time Limits

Claims for repayment are in respect of heavy oil and L.P.G. used within a period of one calendar month. Claims should be made electronically within 4 months following the end of each claim period. Claims may be submitted outside of the prescribed time limit but will be subject to Revenue approval.

4 Audit Procedures

Repayment claims will at times be subject to verification by Revenue. Claimants are required to maintain the following records:

- Proof of tax payment in the State, i.e. invoices from mineral oil dealers for all purchases of heavy oil / L.P.G.,
- Details of the location and area of all glasshouses or other buildings used for horticultural production or for the cultivation of mushrooms, and
- Evidence that the amount of heavy oil / L.P.G. that is the subject of the repayment claim is eligible for repayment in any case where the heavy oil / L.P.G. is also used for ineligible purposes ([see paragraph 2.2.](#) above).

Claimants are required to retain the above-mentioned documentation for a period of six years.

5 Contact details of Central Repayments Office

The Office of the Revenue Commissioners,

Central Repayments Office,

M:TEK 11 Building Armagh Road,

Monaghan,

Co Monaghan.

H18 YH59

Telephone: 047 62100 (option 6)

Email: Please use the secure 'MyEnquiries' service available in myAccount or ROS.

Appendix 1 – Historic Net Rates of Repayment

Net rates of repayment from 1 May 2020 – 30 April 2021

Mineral Oil Product	Mineral Oil Tax Rate (per 1,000 litres)	Pre-determined rate (per 1,000 litres)	Net Repayment Rate <i>per litre</i>
Marked Gas Oil	€117.78	€71.32	€0.04646
Marked Kerosene	€65.74	€71.32	€0.00
Fuel Oil	€95.05	€71.32	€0.02373
L.P.G. (other)	€42.48	€48.06	€0.00

Net rates of repayment from 1 May 2012 – 30 April 2020

Mineral Oil Product	Mineral Oil Tax Rate (per 1,000 litres)	Pre-determined rate (per 1,000 litres)	Net Repayment Rate <i>per litre</i>
Marked Gas Oil	€102.28	€56.31	€0.04597
Marked Kerosene	€50.73	€56.31	€0.00
Fuel Oil	€76.53	€56.31	€0.02022
L.P.G. (other)	€32.86	€38.44	€0.00