



# Cabinet Legislation Committee

## Minute of Decision

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### Legislation Implementing New Rates of Petrol Excise Duty and Road User Charges

Portfolio                      Transport

On 7 May 2019, the Cabinet Legislation Committee:

- 1        **noted** that on 20 June 2018, the Cabinet Economic Development Committee:
  - 1.1      agreed to increases in motor spirits (petrol) excise duty (PED) of 3.5 cents per litre in 2018, 2019 and 2020;
  - 1.2      noted that increases in PED in 2019/20 and 2020/21 will require a full legislative process;
  - 1.3      noted that the Minister of Transport will report back to the Cabinet Economic Development Committee (DEV) to seek approval for increases in road user charges rates (RUC) for 2019 and 2020;

[DEV-18-MIN-0123]
- 2        **noted** that on 15 April 2019, following reference from DEV, Cabinet agreed that the RUC rates be increased for the vehicle types and the amounts, with effect from 1 July 2019 [CAB-19-MIN-0173];

#### Petrol Excise Duty

- 3        **noted** that the Excise and Excise-equivalent Duties Table (Budget Measures – Motor Spirits) Amendment Bill (the Bill) gives effect to paragraphs 1.1 and 1.2 for the 2019 and 2020 financial years;
- 4        **noted** that the Bill does not hold a priority on the 2019 Legislation Programme;
- 5        **agreed** that the Bill be given a category 2 priority on the 2019 Legislation Programme (must be passed in 2019);
- 6        **approved** the Excise and Excise-equivalent Duties Table (Budget Measures – Motor Spirits) Amendment Bill [PCO 22069/5.0] for introduction, subject to the final approval of the government caucuses and sufficient support in the House of Representatives;

- 7 **agreed** that the Bill be introduced on Budget day, 30 May 2019;
- 8 **agreed** that the government propose that the Bill be:
- 8.1 accorded urgency for its first reading;
- 8.2 progressed without referral to a select committee for consideration;
- 8.3 enacted and take effect 1 July 2019;

### **Road User Charges**

- 9 **noted** that the Road User Charges (Rates) Amendment Regulations 2019 give effect to paragraph 2 for the 2019 financial year;
- 10 **authorised** the submission to the Executive Council of the Road User Charges (Rates) Amendment Regulations 2019 [PCO 22072/5.0];
- 11 **noted** that the RUC Amendment Regulations come into force on 1 July 2019.

Vivien Meek  
Committee Secretary

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**Present:**

Rt Hon Winston Peters  
Hon Phil Twyford  
Hon Chris Hipkins (Chair)  
Hon Andrew Little  
Hon David Parker  
Hon Dr David Clark  
Hon Stuart Nash  
Hon Iain Lees-Galloway  
Hon Jenny Salesa  
Hon Tracey Martin  
Hon Kris Faafoi  
Hon Eugenie Sage  
Hon Ruth Dyson (Senior Government Whip)

**Officials present from:**

Officials Committee for LEG

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Minister of Transport