

MINO-411 – Fuel Excise Duty and Road User Charges Reporting

10 June 2022

Waka Kotahi NZ Transport Agency has been asked to provide an update on the revenue impacts resulting from the temporary reductions to Road User Charges (RUC) and Fuel Excise Duty (FED).

Waka Kotahi NZ Transport Agency response:

Regrettably, there were some errors with the figures provided in the RUC and FED report for April 2022. The FED data provided was only the April financial report on FED, which did not include data or values on the actual cost of the FED reduction. The value of sales of RUC for April 2022 was also incorrect.

This update serves to provide a correction to the revenue information provided in the April 2022 report as well as revenue impacts for May 2022.

The tables below show the revenue impacts for RUC and FED since the implementation of the temporary reductions.

Road User Charges - Impact of 36% reduction

Month	Actual revenue	Revenue if at full rate (Grossed up)	Cost of Revenue Reduction
April (21st on)	\$ 73,795,903	\$ 115,306,098	\$ 41,510,195
May	\$ 150,100,438	\$ 234,531,934	\$ 84,431,496
Total	\$ 223,896,341	\$ 349,838,032	\$ 125,941,692

Note: The cost of revenue reduction represents the value of the claim that the National Land Transport Fund will seek from Te Manatū Waka Ministry of Transport for the RUC reduction. This is based on actual sales of RUC made during the valid period.

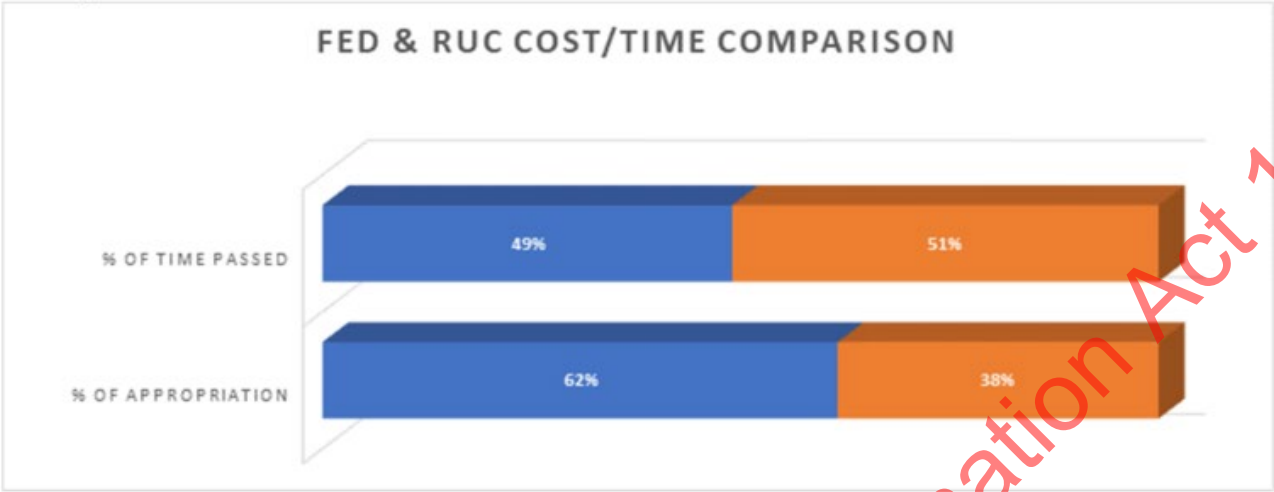
Fuel Excise Duty - Impact of 25 cents per litre fuel reduction

Month	(Million litres)	Cost of Revenue Reduction
March	-	\$ -
April	38.4	\$ 9,606,036
May	320.92	\$ 80,229,585
Total	359.32	\$ 89,835,620

Note: This is the quantity and value of shipments that have been invoiced by Custom New Zealand during the relevant months. This will be the value claimed by the National Land Transport Fund from the Te Manatū Waka for the two months to date.

This value differs from the values in the Crown Financial Report, as it is based on actual shipments invoiced during the month (a cash basis), where the financial report includes estimates of shipments in transit and arrived that have not yet been invoiced (accrual basis).

The following chart shows the trends of cost (claims) vs. appropriation and provides a visual of the rate at which the appropriation is being used up.



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