

Misuse of Special-Purpose Diesel Fuel



The agricultural and fisheries sectors are permitted to use special-purpose diesel fuel subject to a reduced excise duty rate. Due to significant misuse, the state currently loses approximately €4.7 million in excise duty revenue each year.

The aim of the project is to gain a deeper understanding of the mechanisms and underlying causes of misuse, as well as to determine the criteria that should be used to define legitimate use.

The team tested several different solutions:

- the feasibility of establishing a register of authorised users was analysed;
- a tax refund scheme was considered as an alternative to the register;
- a simple checklist was developed for fuel retailers to help reduce misuse;
- an email experiment was conducted to discourage misuse.

Representatives of the Ministry of Rural Affairs, the Agricultural Registers and Information Board, the Ministry of Finance, the Estonian Tax and Customs Board, and the Estonian Farmers' Federation worked

together to develop solutions to the widespread misuse of special-purpose diesel fuel.

Project duration: 2020

The project was implemented as part of the Innovation Programme.

Read more (in Estonian):

[Eriotstarbelise diislikütuse väärkasutamine - lõpuesitlus.pdf | 1.81 MB | pdf](#)

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