STATUTORY INSTRUMENTS

2026 No. 280

CLIMATE CHANGE LEVY

The Climate Change Levy (Fuel Use and Recycling Processes) (Amendment) Regulations 2026

Made - - - - *11th March 2026*

Coming into force - - *12th March 2026*

The Treasury make these Regulations in exercise of the powers conferred by paragraph 18(2) and (3) of Schedule 6 to the Finance Act 2000(**1**).

In accordance with paragraph 146(3) of Schedule 6 to that Act, a draft of the instrument was laid before, and approved by a resolution of, the House of Commons.

Citation and commencement

1.—(1) These Regulations may be cited as the Climate Change Levy (Fuel Use and Recycling Processes) (Amendment) Regulations 2026.

(2) These Regulations come into force on the day after the day on which they are made.

Amendment of the Climate Change Levy (Fuel Use and Recycling Processes) Regulations 2005

2.—(1) The Climate Change Levy (Fuel Use and Recycling Processes) Regulations 2005(**2**) are amended as follows.

(2) In Schedule 1 (uses otherwise than as fuel)—

(a) In Part A (wholly non-fuel uses), at the end of the list in paragraph 1, after "Advanced chemicals from other more basic chemicals" insert the following entry—

"Hydrogen";

(b) In Part B (mixed uses), after paragraph 31 insert—

"**31A.** Natural gas as a source of carbon dioxide to produce sodium bicarbonate from soda ash".

(**1**) 2000 c. 17.

(**2**) S.I. 2005/1715, amended by section 99 of, and paragraph 9 of Schedule 20 to, the Finance Act 2014 (c. 26), and S.I. 2014/844; there are other amending instruments but none is relevant.

Taiwo Owatemi
Stephen Morgan
Two of the Lords Commissioners of His Majesty's Treasury

11th March 2026

EXPLANATORY NOTE

(This note is not part of the Regulations)

Climate change levy is charged on supplies of electricity, gas and solid fuels that are not for domestic or charity use. Supplies for non-fuel use are exempt.

These Regulations amend Parts A and B of Schedule 1 to the Climate Change Levy (Fuel Use and Recycling Processes) Regulations 2005 (S.I. 2005/1715) in order that electricity used in electrolysis for the production of hydrogen, and natural gas used partly as fuel and partly as a source of carbon dioxide in the production of sodium bicarbonate from soda ash, are specified as non-fuel uses.

A Tax Information and Impact Note covering this instrument will be published on the HMRC website at https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins.