



# Fact sheet: fuel price relief measures from 1 July 2026

23 June 2026

## Key facts and figures

### *Excise and the heavy vehicle Road User Charge (RUC) from 1 July 2026*

- The Australian Government is extending the temporary fuel excise relief past 30 June 2026.
- The fuel excise rate will be reduced from 52.6 cents per litre to 36.6 cents per litre up until 2 August 2026.
- The RUC will also be reduced from 32.4 cents per litre to 16.4 cents per litre during this period.
- The fuel excise and RUC will return to 'pre-conflict' rates from 3 August 2026 (the day after fuel excise indexation is applied).
- For every 400-litre tank filled, heavy vehicle operators will save around \$65.

### *Excise and RUC rates from 1 April 2026 to 30 June 2026*

- The Government more than halved excise and reduced the RUC to zero for three months, from 1 April 2026 to 30 June 2026.

## How do these measures affect heavy vehicle operators?

- Every litre of fuel sold in Australia is subject to Commonwealth fuel excise or excise-equivalent customs duty imposed at either the point of fuel manufacture or import.
- Where fuel is purchased as a business expense, eligible businesses can claim back the full amount of fuel duty via the fuel tax credit (FTC) scheme.
- The RUC is paid by operators of heavy vehicles travelling on public roads to recover— alongside state/territory registration fees—the heavy vehicle share of all government road expenditure.
- The extension of temporary fuel relief measure provides additional support to the heavy vehicle sector.
  - The reduced excise rate will help businesses at the bowser, while heavy vehicle operators will still be entitled to FTC of 20.2 cents per litre in July 2026.
- The ATO will soon update its [FTC calculator](#) to help operators understand the impact on their business.

## How long until we see the benefits?

- The benefits at the bowser will be passed on as fuel that is manufactured in Australia or imported is distributed around the country.
- Fuel prices have steadily declined since a peak in mid-May.

## Why is the reduction ending on 2 August 2026 and not 31 July 2026?

- The end of the reduction has been aligned with indexation dates for fuel excise in August to minimise the number of fuel tax rates that businesses will have to interact with, minimising compliance and administrative burdens.

## How will this operate differently to the fuel tax cut of 2022?

- When a similar measure to reduce fuel excise was announced in March 2022, some heavy vehicle industry stakeholders expressed concern that the road user charge was not changed.
- Even though heavy vehicle operators were better off at the bowser in 2022, they lost their entitlement to claim a partial fuel tax credit. Many smaller businesses rely on the quarterly tax credit payments to manage their cashflow.
- This time, the Australian Government has also reduced the RUC to help businesses manage cashflows.

## Other Government support for the heavy vehicle sector

- The Australian Government has delivered several measures which support the heavy vehicle sector during the crisis, including:
  - The Fair Work Commission Fuel Cost Recovery Contractual Chain Order, which came into effect on 21 April 2026, facilitating the ability of road transport businesses to pass on increased fuel costs through the contractual chain.
  - The \$1 billion Economic Resilience Program under the National Reconstruction Fund providing zero-interest loans to eligible SMEs, including heavy vehicle operators.
  - ATO support measures, including extended debt repayment arrangements for businesses facing fuel-related financial pressures.
- Further information on the Government's response to the fuel crisis, including support measures, is available at [FuelPlan.gov.au](https://fuelplan.gov.au).