Dear Chancellor,

**How the Budget can deliver a fair deal for rural households: Axe the tax on renewable liquid fuels**

I am writing as one of the 4 million people living off the gas grid in the UK facing a major financial challenge. We want to do our bit to decarbonise our heating but need to be given a fair choice about how we do it, one that acknowledges that our homes are very different and require a different solution to that offered by heat pumps.

Switching my existing boiler to renewable liquid fuels offers this real and affordable solution, and I want to acknowledge and thank you for the important work you have done to give off-grid households like mine a fair choice about how we heat our homes and contribute to Net Zero.

These fuels have been proven to work, it costs less than £500 to convert an existing boiler and offers carbon reduction of up to 88%.

Section 159 of the Energy Act allows for the delivery of a Renewable Liquid Heating Fuel Obligation (RLHFO). Delivering the RLHFO would unlock the use of these fuels and I would urge you to ensure the consultation takes place as soon as possible. This will help to give households the certainty that we need to make the switch.

However, the use of renewable liquid fuels for home heating is also taxed, whereas fossil fuels are not. This is counterintuitive and disincentivising take up. **The forthcoming Budget offers the opportunity to equalise the tax duties for renewable liquid fuels, making them a real option for rural households who want to reduce their home heating emissions in an affordable way.**

I understand that OFTEC and UKIFDA, which represent the businesses that we rely on for our heating services, have made representations with further details on these proposals, which I would urge you to consider and adopt.

Renewable liquid fuels can meet the objectives set out by the Prime Minister, by providing a fair choice to consumers across rural constituencies and deliver an easy, cheap and non-disruptive way to decarbonise their heating.

**Scrapping this unfair tax on rural off-grid households is straightforward, would be cost neutral for the Government, and requires no subsidies**. It would also make the tax treatment of renewable liquid fuels used in transport and home heating consistent and fair.

I look forward to hearing from you on this matter,

Yours sincerely,

Add name