Italy Cuts Diesel Fuel Duty. Why doesn't the New Chancellor do the same?

FairFuelUK calls on John Healey to cut Fuel Duty now to stimulate the economy, slow inflation and incentivise business.

UNITED KINGDOM, July 29, 2026 /EINPresswire.com/ -- Howard Cox, Founder of FairFuelUK, says, “This fiscally short-sighted Government, under Andy Burnham, and following Keir Starmer's tenure, continues to show a deliberate reluctance to support drivers or ease business transport costs by cutting Fuel Duty. Other European countries have recognised the critical role of fuel prices in containing inflation and supporting economic activity. Why does Labour refuse to do the same? The answer is clear: in Labour’s political DNA, the motorist remains an easy source of revenue rather than the commercial heartbeat of the economy. Their approach is firmly anti-driver and risks holding back recovery, when targeted relief could help both households and businesses.”

Background

Italy (as of 28 July 2026) temporarily cut diesel taxes and excises by the equivalent of about 17 euro cents per litre (14 cents on the excise plus the VAT effect) until 6 August, focusing only on diesel because its price had risen more sharply; this is part of repeated interventions since March 2026 linked to energy price spikes driven by the Middle East conflict.

The UK, however, has continued to wallow in a windfall bonanza of extra VAT because Rachel Reeves refused to help the UK’s 42m drivers, even though over 40 other countries stepped in immediately to reduce the cost of filling up.

UK drivers have had to pay an extra £5.5bn in filling up costs since the Iran conflict started, with the Government milking nearly £1bn of extra VAT. 70% of the extra cost of filling up has been shouldered by the commercial heartbeat of the nation, diesel drivers.

Europe (closest parallels)

* Greece: Already implementing a 10 cents/litre petrol and 5 cents/litre diesel reduction funded by refineries (through end-August). The government added a further state-funded 10 cents/litre on diesel for the whole of August 2026 (total ~15 cents on diesel), costing about €30 million, aimed at professionals, transport, and limiting wider price impacts. Announced around 26 July

2026.
* Spain: Progressive cuts to the Hydrocarbons Tax on unleaded gasoline and diesel of 15 cents/litre in July, 10 cents in August, and 5 cents in September 2026 (with a safeguard clause for larger cuts if inflation on these fuels exceeds 15%). This followed the end of a prior VAT reduction; professional/agricultural diesel supports were also extended. Approved via Royal Decree-Law at end-June 2026.
* Ireland: Temporary excise cuts of 32 cents/litre on diesel (and 27 cents on petrol), plus related NORA levy reductions, extended in full until 31 August 2026, followed by a phased restoration of rates from September to December. A diesel rebate enhancement for hauliers runs to end-September. Decision around end-June 2026.

Other European measures (some tapering or sector-specific) have included earlier or ongoing relief in places such as Sweden (additional energy/CO_2 tax cuts into autumn), the UK (fuel duty cut running to end-August with phased restoration), the Netherlands (extended reduced rates), Norway, and various earlier temporary cuts/caps in Germany, Austria, Czechia, Croatia, France (company/sectoral supports and price caps), Romania, Slovenia, and elsewhere, which largely expired or were reduced around June–July.

Outside Europe (selected recent examples)

* Thailand: Energy authorities approved a temporary Bt2.40/litre cut in ex-refinery diesel prices (various grades) from 24 July to 15 August 2026, using refining excess gains to ease pressure on pump prices and the oil fund.
* Regulated or government-influenced markets such as the UAE (lowered official petrol and diesel prices for July after earlier rises), South Korea (successive reductions in oil price caps), and Namibia (sharp diesel cut of N$4/litre alongside petrol in early July, plus an emergency import scheme) have also adjusted pump or supply prices downward.
* These actions vary in design (broad tax cuts vs targeted subsidies, refinery contributions, price caps, or upstream adjustments), duration, funding, and scope (diesel-only vs both fuels; consumer vs professional/agricultural).
* Many European measures began earlier in the 2026 crisis (post-February/March Middle East escalation) and are being phased out as oil prices fluctuate. Italy’s latest step and Greece’s August top-up are among the most recent responses to renewed pressure. Market-driven declines (from falling crude) have also lowered prices in various places without new government tax cuts.

We are a public affairs team with no shareholders to satisfy, just an award-winning campaign representing the real concerns of hard-working motorists, families, small businesses, commercial drivers and hauliers across the UK. Decades of fiscal exploitation by successive Governments with little in return warrant the need for FairFuelUK.

FairFuelUK was founded by and is managed by the Campaign's CEO, Howard Cox.

Funding is provided through regular donations from supporters.

Previous backers have included Logistics UK, the RHA, the RAC, Association of Pallet Networks, UKLPG and others

Since 2010, FairFuelUK has saved drivers over £200bn in planned tax hikes in duty and VAT through constructive and objective campaigning. Now the immediate pressure group's focus is on stopping those unnecessary tax hikes based on a good-intentioned but flawed 'green' agenda. These include new taxes and bans on drivers entering our major cities, and potentially adding more costs on petrol and diesel drivers by the Treasury. These are new taxes that will not improve air quality, but simply hit consumers and the economy. There are ways to improve air quality without hitting consumers' pockets.

Current FairFuelUK Campaign Issues include:
Fuel duty, VAT on duty - PumpWatch and fuel price transparency - Effective ways to lower emissions but not through tax hikes - Stop the perennial demonisation of van drivers, hauliers and motorists - Quash ULEZ, LTNs, 15 minute areas - Scrap 2030 Ban on the sales of new diesel and petrol cars - More investment in UK roads similar to the level of HS2 spend - Establish a long term Government strategic roads transport plan - Halt unnecessary cash generating congestion zones and ULEZ expansion - VED and its future - Influence fairer future road user taxation plans and road funding with fuel duty revenue predicted to decline - Help role out new vehicle technology in a way that does not hit drivers in the pocket - Scrap hospital parking charges - Other related motoring costs and driving issues

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