



Alcoholic Liquor Duties Act 1979

1979 CHAPTER 4

PART II

SPIRITS

Rectifying and compounding of spirits

18 Rectifier's and compounder's licences

- (1) No person shall rectify or compound spirits and keep a still for that purpose unless he holds an excise licence under this section as a rectifier.
- (2) Except as permitted by the Commissioners and subject to such conditions as they see fit to impose, no other person shall compound spirits unless he holds an excise licence under this section as a compounder.
- (3) Any licence granted under this section shall expire on the 30th September next after it is granted.
- (4) On any licence granted under this section there shall be charged an excise licence duty of £15.75.
- (5) The Commissioners may refuse to grant any person a licence as a rectifier in respect of any premises on which, from their situation with respect to a distillery, they think it inexpedient to allow the keeping of a still for rectifying or compounding spirits.
- (6) Without prejudice to section 25 below and except as provided by this section, if any person rectifies or compounds spirits otherwise than under and in accordance with an excise licence under this Act so authorising him, he shall be liable on summary conviction to a penalty of £500.

19 Regulation of rectifying and compounding

- (1) The Commissioners may, with a view to the protection of the revenue, make regulations—

- (a) regulating the rectifying and compounding of spirits;
- (b) regulating the receipt, storage, removal and delivery of spirits by rectifiers and compounders ;

and different regulations may be made under this section for rectifiers and compounders.

- (2) If any person contravenes or fails to comply with any regulation made under this section, he shall, subject to subsection (3) below, be liable on summary conviction to a penalty of £500, and any spirits and any other article in respect of which the offence was committed shall be liable to forfeiture.
- (3) The Commissioners may by any regulation under this section provide a penalty of an amount less than that specified in subsection (2) above for any contravention of or failure to comply with that regulation.

20 Penalty for excess or deficiency in rectifier's stock

- (1) If at any time when an account is taken by an officer and a balance struck of the spirits in the stock of a rectifier any excess is found, that excess shall be liable to forfeiture, and the rectifier shall be liable on summary conviction to a penalty of double the duty on a like quantity of plain spirits at proof charged at the highest rate.
- (2) If at any time when an account is taken and a balance struck as mentioned in subsection (1) above any deficiency is found which cannot be accounted for to the satisfaction of the Commissioners and which when computed at proof exceeds 5 per cent. of the aggregate of—
 - (a) the balance so computed struck when an account was last taken; and
 - (b) any quantity of spirits so computed since lawfully received by the rectifier,
 the rectifier shall be liable on summary conviction to a penalty of double the duty on a quantity of plain spirits at proof charged at the highest rate equal to the quantity by which the deficiency exceeds the said 5 per cent.
- (3) For the purposes of any such account and of this section—
 - (a) spirits used by a rectifier in warehouse in pursuance of warehousing regulations shall be deemed not to be spirits in his stock as a rectifier; and
 - (b) where a rectifier also carries on the trade of a wholesaler of spirits on the same premises, all spirits in his possession (other than spirits so used) shall be deemed to be spirits in his stock as a rectifier.

21 Restrictions relating to rectifiers

- (1) A rectifier shall not distil or extract feints or spirits from any other material than spirits on which duty has been duly paid.
- (2) A rectifier shall not have in his possession—
 - (a) except for duty-paid spirits, any materials capable of being distilled into feints or spirits;
 - (b) any spirits for which he has not received a proper spirits advice note or spirits consignment note.
- (3) If a rectifier contravenes subsection (1) or (2) above, or if his still is found to contain any materials capable of being distilled as aforesaid other than duty-paid spirits, whether or not mixed with spirits on which duty has been duly paid, he shall be liable

on summary conviction to a penalty of £500 or double the duty on a quantity of plain spirits at proof charged at the highest rate equal to the quantity of the materials or spirits in respect of which the offence was committed, whichever is the greater.

- (4) If a rectifier is convicted more than once under this section, his licence shall become void and he shall be disqualified from holding a licence as a rectifier for a period of 3 years from the date of his latest conviction.
- (5) Spirits used in warehouse in pursuance of warehousing regulations shall be treated for the purposes of this section as duty-paid spirits.

22 Drawback on British compounds and spirits of wine

- (1) Subject to the provisions of this section and to such conditions and restrictions as the Commissioners may by regulations impose, a rectifier or compounder may warehouse in an excise warehouse on drawback any British compounded spirits or spirits of wine rectified or compounded by him from duty-paid spirits and not containing any methyl alcohol or any wine, made-wine or other fermented liquor.
- (2) British compounded spirits may be warehoused under this section for exportation, for use in any permitted operation in warehouse, for use as stores or, except in the case of tinctures other than perfumed spirits, for home use.
- (3) Spirits of wine may be warehoused under this section—
 - (a) for exportation, for use in any permitted operation in warehouse, or for use as stores; or
 - (b) if of a strength of not less than 50° over proof, for delivery for use in art or manufacture under section 10 above; or
 - (c) if of a strength of not less than 74° over proof, for home use.
- (4) The Commissioners may, subject to such conditions and restrictions as they may by regulations impose, allow drawback on tinctures or spirits of wine exported or, except in the case of spirits of wine, shipped as stores by a rectifier or compounder direct from his premises.
- (5) Subject to subsection (6) below, the amount of any drawback payable under this section shall be calculated by reference to the quantity of the British compounded spirits or spirits of wine computed at proof and shall be an amount equal to the duty at the appropriate rate chargeable on a like quantity of spirits at the date when duty was paid on the spirits from which the British compounded spirits or spirits of wine were rectified or compounded.
- (6) The Commissioners may, in the case of tinctures exported or shipped as stores by a rectifier or compounder direct from his premises, make such addition to the quantity of spirits as they see fit in respect of waste.
- (7) No drawback shall be payable under this section in the case of medicinal spirits in respect of which a repayment of duty has been obtained under section 8 above.
- (8) British compounded spirits warehoused under this section for home use shall upon delivery from warehouse for that purpose be chargeable with the same rate of duty as spirits warehoused by a distiller.
- (9) If any person contravenes or fails to comply with any regulation made under this section then, in addition to any other penalty he may have incurred under the Customs

Status: This is the original version (as it was originally enacted).

and Excise Acts 1979, he shall be liable on summary conviction to a penalty of £100, and any article in respect of which the offence was committed shall be liable to forfeiture.

- (10) In this section "tinctures" means medicinal spirits, flavouring essences, perfumed spirits and such other articles containing spirits as the Commissioners may by regulations specify as tinctures.

23 Allowance on British compounds

- (1) Where any British compounded spirits—
- (a) having been warehoused, are on removal from warehouse exported or shipped as stores ; or
 - (b) are permitted under section 22 above to be exported or shipped as stores on drawback direct from the premises of a rectifier or compounder; or
 - (c) are used in warehouse for fortifying wine or for any other purpose for which spirits are permitted by or under this or any other Act to be used in warehouse, there shall, subject to the provisions of this section and to such conditions as the Commissioners see fit to impose, be paid in respect of each gallon of those spirits computed at proof an allowance of £0.02.
- (2) In the case of British compounded spirits of a strength exceeding 11° over proof which are deposited in a warehouse, the allowance mentioned in subsection (1) above may, subject as aforesaid, instead of being paid as provided in that subsection be paid on the warehousing of the spirits.
- (3) No allowance shall be payable on any British compounded spirits under this section if those spirits were compounded in warehouse in pursuance of warehousing regulations or, in any other case, unless it is proved to the satisfaction of the Commissioners that the spirits have been distinctly altered in character by redistillation with or by the addition of flavouring or other matter.
- (4) Any allowance on British compounded spirits under this section—
- (a) when paid on their exportation or shipment as stores, shall be paid to the person by whom security is given for that exportation or shipment;
 - (b) when paid on their use in warehouse, shall be paid to the person upon whose written request they are so used;
 - (c) when paid on their warehousing, shall be paid to the person in whose name they are warehoused.