



Finance Act 1997

1997 CHAPTER 16

PART I

EXCISE DUTIES

Alcoholic liquor duties

1 Rates of duty on spirits and wines of equivalent strength

- (1) In section 5 of the Alcoholic Liquor Duties Act 1979 (spirits), for “£19.78” there shall be substituted “£18.99”.
- (2) In Part II of the Table of rates of duty in Schedule 1 to that Act (wine or made-wine of a strength exceeding 22 per cent.), for “19.78” there shall be substituted “18.99”.
- (3) This section shall be deemed to have come into force at 6 o'clock in the evening of 26th November 1996.

2 Rates of duty on lower strengths of wine and made-wine

- (1) For Part I of the Table of rates of duty in Schedule 1 to the Alcoholic Liquor Duties Act 1979 (wine and made-wine of a strength not exceeding 22 per cent.) there shall be substituted—

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“PART I

WINE OR MADE-WINE OF A STRENGTH NOT EXCEEDING 22 PER CENT.

<i>Description of wine or made-wine</i>	<i>Rates of duty per hectolitre</i>
	<i>£</i>
Wine or made-wine of a strength not exceeding 4 per cent.	43.28
Wine or made-wine of a strength exceeding 4 per cent. but not exceeding 5.5 per cent.	59.51
Wine or made-wine of a strength exceeding 5.5 per cent. but not exceeding 15 per cent. and not being sparkling	140.44
Sparkling wine or sparkling made-wine of a strength exceeding 5.5 per cent. but less than 8.5 per cent.	195.63
Sparkling wine or sparkling made-wine of a strength of 8.5 per cent. or of a strength exceeding 8.5 per cent. but not exceeding 15 per cent.	200.64
Wine or made-wine of a strength exceeding 15 per cent. but not exceeding 22 per cent.	187.24”

(2) This section shall be deemed to have come into force on 1st January 1997.

3 **Duty on sparkling cider**

(1) In subsection (1A) of section 62 of the Alcoholic Liquor Duties Act 1979 (rates of excise duty on cider)—

- (a) in paragraph (a), after “exceeding 7.5 per cent.” there shall be inserted “which is not sparkling cider”; and
- (b) immediately before the word “and” at the end of that paragraph there shall be inserted the following paragraph—

“(aa) £36.45 per hectolitre in the case of sparkling cider of a strength exceeding 5.5 per cent.;”.

(2) After subsection (6) of that section there shall be inserted the following subsection—

“(7) References in this section to making cider shall be construed as including references to producing sparkling cider by rendering cider sparkling; and references in this section to cider made in the United Kingdom, to makers of cider and to making cider for sale shall be construed accordingly.”

(3) After that section there shall be inserted the following section—

“62A Meaning of “sparkling” etc. in section 62

- (1) This section applies for the purposes of section 62 above.
 - (2) Cider which is for the time being in a closed bottle is sparkling if, due to the presence of carbon dioxide, the pressure in the bottle, measured at a temperature of 20 degrees C, is not less than 3 bars in excess of atmospheric pressure.
 - (3) Cider which is for the time being in a closed bottle is sparkling regardless of the pressure in the bottle if the bottle has a mushroom-shaped stopper (whether solid or hollow) held in place by a tie or fastening.
 - (4) Cider which is not for the time being in a closed container is sparkling if it has characteristics similar to those of cider which has been removed from a closed bottle and which, before removal, fell within subsection (2) above.
 - (5) Cider shall be regarded as having been rendered sparkling if, as a result of aeration, fermentation or any other process, it either—
 - (a) falls within subsection (2) above; or
 - (b) takes on characteristics similar to those of cider which has been removed from a closed bottle and which, before removal, fell within subsection (2) above.
 - (6) Cider which has not previously been rendered sparkling by virtue of subsection (5) above shall be regarded as having been rendered sparkling if it is transferred into a closed bottle which has a mushroom-shaped stopper (whether solid or hollow) held in place by a tie or fastening.
 - (7) Cider which is in a closed bottle and has not previously been rendered sparkling by virtue of subsection (5) or (6) above shall be regarded as having been rendered sparkling if the stopper of its bottle is exchanged for a stopper of a kind mentioned in subsection (6) above.”
- (4) In section 64 of that Act (remission or repayment of duty on spoilt cider), after subsection (1) there shall be inserted the following subsection—
- “(1A) In subsection (1) above the references to a maker of cider include references to any person who is taken for the purposes of section 62 above to be a maker of cider.”
- (5) This section shall be deemed to have come into force on 1st January 1997.
 - (6) Any order or regulations made under section 62 or 64 of the Alcoholic Liquor Duties Act 1979 before 1st January 1997—
 - (a) shall have effect (but only if and for so long as the order or regulations would be in force apart from this subsection) as if the amendments made to that Act by this section had been made before the making of the order or regulations, and
 - (b) shall be deemed at all times on or after that date so to have had effect.

4 Cider labelled as strong cider

- (1) After the section 62A inserted into the Alcoholic Liquor Duties Act 1979 by section 3 above there shall be inserted the following section—

“62B Cider labelled as strong cider

- (1) For the purposes of this Act, any liquor which would apart from this section be standard cider and which—
- (a) is in an up-labelled container, or
 - (b) has, at any time after 31st December 1996 when it was in the United Kingdom, been in an up-labelled container,
- shall be deemed to be strong cider, and not standard cider.
- (2) Accordingly, references in this Act to making cider include references to—
- (a) putting standard cider in an up-labelled container; or
 - (b) causing a container in which there is standard cider to be up-labelled.
- (3) Where, by virtue of this section, any duty is charged under section 62 above on any cider, a rebate shall be allowed in respect of the amount of any duty charged on that cider under that section otherwise than by virtue of this section.
- (4) For the purposes of this section—
- (a) “standard cider” means cider which is not sparkling and is of a strength not exceeding 7.5 per cent.; and
 - (b) “strong cider” means cider which is not sparkling and is of a strength exceeding 7.5 per cent.
- (5) For the purposes of this section a container is up-labelled if there is anything on—
- (a) the container itself,
 - (b) a label or leaflet attached to or used with the container, or
 - (c) any packaging used for or in association with the container,
- which states or tends to suggest that the strength of any liquor in that container falls within the strong cider strength range.
- (6) For the purposes of subsection (5) above, a strength falls within the strong cider strength range if it exceeds 7.5 per cent. but is less than 8.5 per cent.”
- (2) This section shall be deemed to have come into force on 1st January 1997.

5 Cider labelled as made-wine

- (1) After section 55A of the Alcoholic Liquor Duties Act 1979 there shall be inserted the following section—

“55B Cider labelled as made-wine

- (1) For the purposes of this Act, any liquor which would apart from this section be cider and which—
- (a) is in an up-labelled container, or

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- (b) has, at any time after 31st December 1996 when it was in the United Kingdom, been in an up-labelled container,
shall be deemed to be made-wine, and not cider.
- (2) Accordingly, references in this Act to producing made-wine include references to—
 - (a) putting cider in an up-labelled container; or
 - (b) causing a container in which there is cider to be up-labelled.
- (3) For the purposes of this Act, where any liquor is deemed by this section to be made-wine, it shall be deemed—
 - (a) if it is in an up-labelled container, to be made-wine of the strength that the labelling for the container states or tends to suggest; and
 - (b) if it is no longer in an up-labelled container, to be made-wine of the strength stated or suggested by the labelling for the up-labelled container in which it was contained when it was first deemed by this section to be made-wine.
- (4) Subsection (3)(a) above has effect subject to any provision that may be made by regulations under section 2(3) above.
- (5) Where, by virtue of this section, any duty is charged under section 55 above on any liquor, a rebate shall be allowed in respect of the amount of any duty charged on that liquor under section 62 below.
- (6) For the purposes of this section a container is up-labelled if the labelling for the container states or tends to suggest that the strength of any liquor in that container is or exceeds 8.5 per cent.
- (7) In this section references to the labelling for any container are references to anything on—
 - (a) the container itself,
 - (b) a label or leaflet attached to or used with the container, or
 - (c) any packaging used for or in association with the container.”
- (2) In section 1 of that Act (interpretation)—
 - (a) in subsection (5) (meaning of “made-wine”), after “subsection (10)” there shall be inserted “and section 55B(1)”; and
 - (b) in subsection (6) (meaning of “cider”), after “means” there shall be inserted “, subject to section 55B(1) below,”.
- (3) In section 2(3A) of that Act (regulations may provide for duty to be charged by reference to strengths shown on bottle labels)—
 - (a) after the word “beer,”, in the first place where it occurs, there shall be inserted “cider,”; and
 - (b) for the words “spirits, beer, wine or made-wine”, in the second place where they occur, there shall be substituted “liquor in that bottle or other container”.
- (4) In section 56(1)(c) of that Act (restriction on use of wine in production of made-wine), after “of wine” there shall be inserted “or cider”.
- (5) Subsections (1) and (2) above shall be deemed to have come into force on 1st January 1997.