

2023 No. 884 (C. 48)

EXCISE

**The Finance (No. 2) Act 2023, Part 2 (Alcohol Duty)
(Appointed Day, Savings, Consequential Amendments and
Transitional Provisions) Regulations 2023**

Made - - - -

31st July 2023

The Commissioners for His Majesty's Revenue and Customs make these Regulations in exercise of the powers conferred by section 120 of the Finance (No. 2) Act 2023(a).

Citation and interpretation

1.—(1) These Regulations may be cited as the Finance (No. 2) Act 2023, Part 2 (Alcohol Duty) (Appointed Day, Savings, Consequential Amendments and Transitional Provisions) Regulations 2023.

(2) In these Regulations—

“the Act” means the Finance (No. 2) Act 2023;

“ALDA” means the Alcoholic Liquor Duties Act 1979(b);

“AP(ED)R 2023” means the Alcoholic Products (Excise Duty) Regulations 2023(c);

“CEMA” means the Customs and Excise Management Act 1979(d).

Appointed day

2.—(1) The day appointed for the coming into force of the following provisions of Part 2 of the Act, so far as not already in force, is 1st August 2023—

- (a) Chapters 1 to 3 (charge to alcohol duty, draught relief and small producer relief) and Schedules 6 to 9 (categories of alcoholic products: interpretation, rates of alcohol duty, qualifying draught products: reduced rates and small producer alcoholic products: duty discount);
- (b) Chapter 4 (other reliefs and exemptions) excepting section 74 (spoilt alcoholic products);
- (c) sections 86 to 88 (mixing alcoholic products, post-duty point dilution of alcoholic products, and alcoholic products regulations);
- (d) section 89 (penalties and forfeiture) for the purposes of the provisions referred to in subsection (1)(b) to (d) of that section;
- (e) Chapters 6 and 7 (denatured alcohol and wholesaling of controlled alcoholic products) and Schedule 10 (penalties for contraventions of alcohol wholesaling provisions);

(a) 2023 c. 30.
(b) 1979 c. 4.
(c) S.I. 2023/806.
(d) 1979 c. 2.

- (f) section 108 (reviews and appeals) and Schedule 11 (alcohol duty: reviews and appeals);
- (g) section 109 (forfeiture: supplementary provision);
- (h) section 112 (duty stamps) and Schedule 12 (alcohol duty: duty stamps);
- (i) section 113 (repeals);
- (j) section 114 (minor and consequential amendments) and Part 1 of Schedule 13 (alcohol duty: minor and consequential amendments);
- (k) sections 115 (temporary provision: wine) and 116 (temporary provision: cider).

Savings provisions

3.—(1) The following provisions of ALDA continue to have effect, notwithstanding section 113 (repeals) of the Act, subject to the modifications described in regulation 4—

- (a) section 4(1) to (3) (interpretation)(a);
- (b) section 12 (licence to manufacture spirits)(b);
- (c) section 13 (power to make regulations relating to manufacture of spirits)(c);
- (d) section 15 (distiller’s warehouse)(d);
- (e) section 25 (penalty for unlawful manufacture of spirits, etc.)(e);
- (f) section 41A (suspension of duty: registration of persons and premises)(f);
- (g) section 46 (remission or repayment of duty on spoilt beer)(g);
- (h) section 47 (registration of producers of beer)(h);
- (i) section 49 (beer regulations)(i);
- (j) section 49A (drawback allowable to registered brewer)(j);
- (k) section 54(2) and (5) (wine: charge of excise duty)(k);

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- (a) Section 4(1) to (3) was amended by section 154 of, and paragraph 180 of Schedule 7 to, the Magistrates’ Court Act 1980 (c. 43), sections 11(1) and 139(6) of, and paragraph 11 of Schedule 8 and Part III of Schedule 19 to, the Finance Act 1981 (c. 35), section 114 of, and Part IV of Schedule 23 to, the Finance Act 1986 (c. 41), section 3 of, and paragraph 5(1) of Schedule 1 and Schedule 2 to, the Territorial Sea Act 1987 (c. 49), paragraph 5(3) and (4) of Schedule 2 and paragraph 1 of Schedule 19 to the Finance Act 1991 (c. 31), paragraph 1(a) to (d) of Schedule 2 and paragraph 1 of Schedule 29 to the Finance Act 1995 (c. 4), paragraph 20 of Schedule 4 to the Criminal Procedure (Consequential Provisions) (Scotland) Act 1995 (c. 40), paragraph 1 of Schedule 7 to the Licensing Act 2003 (c. 17), paragraph 3 of Schedule 1 to the Finance Act 2011 (c. 11), paragraph 51(3) of Schedule 39 to the Finance Act 2012 (c. 14), section 54(2)(a) and (b) of the Finance Act 2015 (c. 11), S.I. 1979/241, S.I. 1987/1278 (N.I. 14) and S.S.I. 2009/248.
 - (b) Section 12 was amended by sections 8(2)(a) and (6) and 114 of, and paragraphs 3(3) of Schedule 5 and Part IV of Schedule 23 to, the Finance Act 1986 (c. 41), sections 9 and 132 of, and Part I of Schedule 19 to, the Finance Act 1990 (c. 29), paragraph 1 of Schedule 26 to the Finance Act 2006 (c. 25), and S.I. 1979/241.
 - (c) Section 13 was amended by section 11(1) of, and paragraph 12(a) and (b) of Schedule 8 to, the Finance Act 1981 (c. 35), paragraph 1 of Schedule 3 to the Finance Act 1985 (c. 54) and paragraph 17(1)(a), (1)(b) and (3) of Schedule 4 and paragraph 1 of Schedule 26 to the Finance Act 1994 (c. 9).
 - (d) Section 15 was amended by section 11(1) of, and paragraph 14(a) and (c) of Schedule 8 to, the Finance Act 1981 (c. 35), sections 5 and 114 of, and paragraph 8(b) of Schedule 3 and Part I of Schedule 23 to, the Finance Act 1986 (c. 41), paragraphs 18(2) and (3) of Schedule 4 and Part III of Schedule 26 to the Finance Act 1994 (c. 9) and paragraph 1 of Schedule 26 to the Finance Act 2006 (c. 25).
 - (e) Section 25 was amended by sections 289F and 289G of the Criminal Procedure (Scotland) Act 1975 (c. 21), section 114(1) of the Police and Criminal Evidence Act 1984 (c. 60), sections 38 and 46 of the Criminal Justice Act 1982 (c. 48) and section 114 of, and Part IV of Schedule 23 to, the Finance Act 1986 (c. 41) in Scotland and by S.I. 2015/664 in England and Wales.
 - (f) Section 41A was inserted by section 7(2) of the Finance Act 1991 (c. 31) and amended by Part I of Schedule 18 to the Finance (No. 2) Act 1992 (c. 48) and paragraph 29 of Schedule 4 to the Finance Act 1994 (c. 9).
 - (g) Section 46 was amended by paragraph 13 of Schedule 2 to the Finance Act 1991 (c. 31) and paragraph 31 of Schedule 4 to the Finance Act 1994 (c. 9).
 - (h) Section 47 was amended by section 7(3) of the Finance Act 1991 (c. 31), paragraphs 32(1) and (2) of Schedule 4 to the Finance Act 1994 (c. 9) and paragraph 25(c)(i) of Schedule 41 to the Finance Act 2008 (c. 9).
 - (i) Section 49 was amended by paragraph 14 of Schedule 2 to the Finance Act 1991 (c. 31), paragraph 11(1) of Schedule 1 to the Finance (No. 2) Act 1992 (c. 48), paragraph 33 of Schedule 4 to the Finance Act 1994 (c. 9), paragraph 3 of Schedule 1 to the Finance Act 2002 (c. 23) and paragraphs 11(a) and (b) of Schedule 1 to the Finance Act 2011 (c. 11).
 - (j) Section 49A was inserted by section 4(2) of the Finance Act 1986 (c. 41) and amended by paragraph 15 of Schedule 2 to the Finance Act 1991 (c. 31) and paragraph 12 of Schedule 1 to the Finance Act 2011 (c. 11).
 - (k) Section 54(5) was amended by paragraph 34 of Schedule 4 to the Finance Act 1994 (c. 9) and paragraph 25(c)(ii) of Schedule 41 to the Finance Act 2008 (c. 9).

- (l) section 55(2) and (6) (made-wine: charge of excise duty)(a);
- (m) section 56 (power to regulate making of wine and made-wine and provide for charging duty thereon)(b);
- (n) section 61 (remission or repayment of duty on spoilt wine or made-wine)(c);
- (o) section 62(2) to (7) (excise duty on cider)(d);
- (p) section 64 (remission or repayment of duty on spoilt cider)(e);
- (q) section 90(1) and (2) (regulations)(f);
- (r) section 91 (directions);
- (s) section 93(1) (citation and commencement);
- (t) paragraphs 1 to 3 (interpretation) of Schedule 1(g).

(2) Paragraph 3 of Schedule 5 (decisions subject to review and appeal) to the Finance Act 1994(h) continues to have effect in relation to the cases specified in paragraph (3) as if the amendments made by section 108 (reviews and appeals) of the Act were not made.

(3) The cases specified for the purpose of paragraph (2) are—

- (a) decisions made before 1st August 2023;
- (b) any decision specified in paragraph 3(1)(ka), (ma) or (mb) of Schedule 5 to the Finance Act 1994;
- (c) any decision specified in paragraph 3(1)(f) and (g), (2A) (2B), (3) and (3A) of that Schedule;
- (d) any decision specified in paragraph 3(2) of that Schedule insofar as it is made under or for the purposes of any regulations under section 13 (power to make regulations relating to manufacture of spirits) of ALDA.

(4) For the purposes of paragraph 3 of Schedule 5 to the Finance Act 1994, as saved by this regulation, references to “made-wine” are to be read as references to “other fermented product”.

Consequential modifications – ALDA

4.—(1) The provisions of ALDA that continue to have effect under regulation 3(1) do so with the following modifications.

(2) Section 4 (interpretation) has effect as if for subsection (1) there were substituted—

“(1) In this Act, unless the context otherwise requires,—

“beer” has the meaning given by paragraph 3 of Schedule 6 to F(No. 2)A 2023;

“cider” has the meaning given by paragraph 5 of Schedule 6 to F(No. 2)A 2023;

“distiller” means a person holding a distiller’s licence under section 12;

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- (a) Section 55(6) was amended by paragraph 35 of Schedule 4 to the Finance Act 1994 (c. 9) and paragraph 25(c)(iii) of Schedule 41 to the Finance Act 2008 (c. 9).
 - (b) Section 56 was amended by section 114 of, and Part IV of Schedule 23 to, the Finance Act 1986 (c. 41) and paragraph 37 of Schedule 4 to the Finance Act 1994 (c. 9). Words were inserted into section 56(1)(c) by section 5(4) of the Finance Act 1997 (c. 16).
 - (c) Section 61 was amended by paragraph 39 of Schedule 4 to the Finance Act 1994 (c. 9).
 - (d) Section 62 was relevantly amended by paragraph 40(1) and (2) of Schedule 4 to the Finance Act 1994 (c. 9), section 3(2) of the Finance Act 1997 (c. 16), section 5 of the Finance Act 2001 (c. 9) and paragraph 25(c)(iv) of Schedule 41 to the Finance Act 2008 (c. 9).
 - (e) Section 64 was amended by paragraph 41 of Schedule 4 to the Finance Act 1994 (c. 9) and section 3(4) of the Finance Act 1997 (c. 16).
 - (f) Section 90(2) was amended by section 54(5)(b) of the Finance Act 2015 (c. 11).
 - (g) Paragraphs 1 and 2 of Schedule 1 were amended by, and paragraph 3 was inserted by, section 7(1) of the Finance Act 1993 (c. 34).
 - (h) 1994 c. 9. Paragraph 3 was amended by paragraph 8 of Schedule 2 and paragraph 1 of Schedule 29 to the Finance Act 1995 (c. 4), paragraph 17(2) of Schedule 3 to the Finance Act 2001 (c. 9), paragraph 1 of Schedule 29 to the Finance Act 2005 (c. 4), paragraph 1 of Schedule 26 to the Finance Act 2006 (c. 25), paragraphs 2(3) and (4), 3, 4, 5 and 6 of Schedule 42 to the Finance Act 2008 (c. 9), section 187(2)(d) of, and paragraph 52(2) of Schedule 39 to, the Finance Act 2012 (c. 14) and section 54(7) of the Finance Act 2015 (c. 11).

“distiller’s licence” has the meaning given by section 12(1);

“distiller’s warehouse” means a place of security provided by a distiller and approved by the Commissioners under section 15(1);

“distillery” means premises where spirits are manufactured, whether by distillation of a fermented liquor or by any other process;

“duty”, in the case of alcoholic products on which excise duty has been charged, or was chargeable, under this Act before 1st August 2023, means that duty, and in all other cases means “alcohol duty” within the meaning given by section 47 (alcohol duty: charge) of the F(No. 2)A 2023, and references to drawback are to be construed accordingly;

“F(No. 2)A 2023” means the Finance (No. 2) Act 2023;

“licensed”, in relation to a producer of wine or of other fermented product, means a producer who holds a licence to produce wine or other fermented product respectively under subsection (2) of section 54 or 55;

“the Management Act” means the Customs and Excise Management Act 1979;

“packager”, in relation to beer, means a person carrying on the business of packaging beer;

“packaging”, in relation to beer, means to put beer into tanks, casks, kegs, cans, bottles or any other receptacles of a kind in which beer is distributed for sale by another person;

“producer of other fermented product” includes a person who renders other fermented product sparkling, and “produce”, in relation to other fermented product, is to be construed accordingly;

“producer of wine” includes a person who renders wine sparkling, and “produce”, in relation to wine, is to be construed accordingly;

“other fermented product” has the meaning given by paragraph 12 of Schedule 6 to the F(No. 2)A 2023;

“registered brewer” has the meaning given by section 47(1);

“strength” in relation to any alcoholic product has the meaning given to “alcoholic strength” by section 45 (alcoholic strength) of the F(No. 2)A 2023;

“spirits” has the meaning given by paragraph 1 of Schedule 6 to the F(No. 2)A 2023;

“wine” has the meaning given by paragraph 11 of Schedule 6 to the F(No. 2)A 2023.”

(3) Section 13(2A) (power to make regulations relating to manufacture of spirits) has effect as if for “section 5 above” there were substituted “section 47 (alcohol duty: charge) of the F(No. 2)A 2023”.

(4) Section 49 (beer regulations) has effect as if for “general beer duty or high strength beer duty” there were substituted “duty”.

(5) Section 54(2) (wine: charge of excise duty) has effect as if for “Subject to subsection (4) below, a” there were substituted “A”.

(6) Section 55(2) (made-wine: charge of excise duty) has effect as if for “Subject to subsections (4) and (5) below, a” there were substituted “A”.

(7) Sections—

- (a) 55 (made-wine: charge of excise duty), in the heading and subsections (2) and (6),
- (b) 56 (power to regulate making of wine and made-wine and provide for charging duty thereon), in the heading and subsection (1), and
- (c) 61 (remission or repayment of duty on spoilt wine or made-wine), in the heading and subsection (1),

have effect as if for “made-wine”, in each place it occurs, there were substituted “other fermented product”.

(8) Paragraphs 2 and 3 of Schedule 1 (interpretation) have effect as if for “made-wine”, in each place it occurs, there were substituted “other fermented product”.

Consequential modifications – CEMA

5.—(1) CEMA has effect with the following modifications.

(2) Section 1(1) (interpretation) has effect as if the following definitions were inserted at the appropriate places—

““distiller” means a person holding a distiller’s licence under section 12 of the Alcoholic Liquor Duties Act 1979;”;

““distiller’s warehouse” means a place of security provided by a distiller and approved by the Commissioners under section 15(1) of the Alcoholic Liquor Duties Act 1979;”;

““licensed”, in relation to a producer of wine or other fermented product, means a producer who holds a licence to produce wine or other fermented product respectively under subsection (2) of section 54 or 55 of the Alcoholic Liquor Duties Act 1979;”;

““producer of other fermented product” includes a person who renders other fermented product sparkling, and “produce”, in relation to other fermented product, is to be construed accordingly;”;

““producer of wine” includes a person who renders wine sparkling, and “produce”, in relation to wine, is to be construed accordingly;”;

““registered brewer” has the meaning given by section 47(1) of the Alcoholic Liquor Duties Act 1979;”.

(3) Section 112(3) (power of entry upon premises, etc. of revenue traders)(a) has effect as if—

(a) “rectifier, compounder” were omitted, and

(b) for “producer of made-wine” there were substituted “producer of other fermented product”.

(4) Section 113(6) (power to search for concealed pipes, etc)(b) has effect as if—

(a) “rectifier, compounder” were omitted, and

(b) for “producer of made-wine” there were substituted “producer of other fermented product”.

(5) Section 160(2) (power to take samples)(c) has effect as if for “producer of made-wine” there were substituted “producer of other fermented product”.

Consequential modifications – the Act

6.—(1) References to an approval under section 82 (approval requirement: producers) of the Act, however expressed, in the following sections of the Act are to be read as a reference to an ALDA approval—

(a) section 51(2) (alcoholic products qualifying for draught relief);

(b) section 52(3)(b) (repackaging qualifying draught products);

(c) section 58(b) (exclusions);

(d) section 78(4)(b) (authorised use for certain purposes);

(e) section 86(2)(a)(i) (mixing alcoholic products).

(2) In this regulation “an ALDA approval” means, as the case may be—

(a) a licence to manufacture spirits under section 12 of ALDA,

(a) Section 112(3) was amended by paragraph 1(a) of Schedule 2 to the Finance Act 1991 (c. 31) and section 11 of, and paragraph 6 of Schedule 8 to, the Finance Act 1981 (c. 35).

(b) Section 113(6) was amended by paragraph 1(a) of Schedule 2 to the Finance Act 1991 (c. 31).

(c) Section 160(2) was amended by paragraph 1(a) of Schedule 2 to the Finance Act 1991 (c. 31).

- (b) a registration to hold beer on premises registered to a person without payment of duty under section 41A of ALDA,
- (c) a registration of a producer of beer under section 47 of ALDA,
- (d) an excise licence issued under section 54(2) of ALDA in respect of premises on which wine is produced,
- (e) an excise licence issued under section 55(2) of ALDA in respect of premises on which other fermented product is produced, or
- (f) a registration of a maker of cider under section 62(2) of ALDA.

Consequential modifications – the Beer Regulations 1993

7. Regulation 28(3)(b) (ascertainment of the amount of duty charged or paid) of the Beer Regulations 1993(a) has effect as if for “regulation 18 above” there were substituted “regulation 3 of the Alcoholic Products (Excise Duty) Regulations 2023”.

Consequential modifications – AP(ED)R 2023

8.—(1) The AP(ED)R 2023 have effect with the following modifications.

(2) In regulation 3(10) (the strength of alcoholic product) the reference to a person who is approved under section 82 of the Act is to be read as a reference to, as the case may be—

- (a) a producer of spirits who is or is required to be licensed under section 12 of ALDA,
- (b) a producer of beer who is or is required to be registered under section 47 of ALDA,
- (c) a producer of wine who is or is required to be licensed under section 54(2) of ALDA,
- (d) a producer of other fermented product who is or is required to be licensed under section 55(2) of ALDA, or
- (e) a maker of cider who is or is required to be registered under section 62(2) of ALDA.

(3) In regulation 6(4) (grower’s domestic consumption relief) the reference to a producer who is approved under section 82 of the Act is to be read as a reference to, as the case may be—

- (a) a producer of wine who is or is required to be licensed under section 54(2) of ALDA,
- (b) a producer of other fermented product who is or is required to be licensed under section 55(2) of ALDA, or
- (c) a maker of cider who is or is required to be registered under section 62(2) of ALDA.

Transitional provisions – approvals

9. Any excise licence granted under section 55(2) of ALDA for the purpose of the production of made-wine is to be treated as a licence granted for the purposes of the production of other fermented products within the meaning given by paragraph 12 of Schedule 6 to the Act.

Transitional provisions – alcohol duty

10.—(1) This regulation applies to an alcoholic product(b) —

- (a) which was charged or became chargeable to a relevant duty before 1st August 2023, and
- (b) for which the excise duty point(c), in relation to that product, occurs on or after 1st August 2023.

(a) S.I. 1993/1228, to which there are amendments not relevant to this Regulation.
 (b) “Alcoholic product” is defined in section 44 (meaning of “alcoholic product”) of the Act.
 (c) “Excise duty point” is defined in section 49(2) (excise duty point and payment) of the Act.

(2) Except in a case where paragraph (4) applies, alcohol duty(a) is to be paid on the alcoholic product as if it had become chargeable on the date the excise duty point occurs.

(3) Paragraph (4) applies in a case where alcohol duty would have been payable at the discounted rate(b) if an alcoholic product had become chargeable on 1st August 2023.

(4) Alcohol duty is to be paid on the alcoholic product as if it was produced and had become chargeable on 1st August 2023.

(5) For the purposes of this regulation—

“relevant duty” means, in the case of—

spirits, excise duty chargeable under section 5 (spirits: charge of excise duty) of ALDA;

beer, excise duty chargeable under section 36 (general beer duty) of ALDA;

wine, excise duty chargeable under section 54 (wine: charge of excise duty) of ALDA;

other fermented product, excise duty chargeable under section 55 (made-wine: charge of excise duty) of ALDA;

cider, excise duty chargeable under section 62 (cider: charge of excise duty) of ALDA.

Revocations

11. The Alcoholic Liquor Duties (Beer-based Beverages) Order 1994(c) is revoked.

Consequential amendments

12. The provisions mentioned in the Schedule are amended as described in the Schedule.

Jim Harra

Jonathan Athow

31st July 2023

Two of the Commissioners for His Majesty’s Revenue and Customs

SCHEDULE

Regulation 12

Consequential Amendments

The Duty-Free Supplies for the Royal Navy Regulations 1954

1. —(1) The Duty-Free Supplies for the Royal Navy Regulations 1954(d) are amended as follows.

(2) In regulation 6 (control of dutiable liquor)—

(a) in the heading, for “dutiable liquor” substitute “alcoholic product”;

(b) in the text of the regulation, for “dutiable liquor” substitute “alcoholic product”.

(3) In regulation 10 (definitions) at the appropriate place insert—

““alcoholic product” has the meaning given by section 44 (meaning of “alcoholic product”) of the Finance (No. 2) Act 2023;”.

(a) “Alcohol duty” is defined in section 47 (alcohol duty: charge) of the Act.

(b) “Discounted rate” is defined in section 54(2) (small producer relief: discounted rates) of the Act.

(c) S.I. 1994/2904.

(d) S.I. 1954/1406.

The Cider and Perry (Exemption from Registration) Order 1976

2. In Article 1(2) of the Cider and Perry (Exemption from Registration) Order 1976(a), in the definition of “cider”, for “(or perry) as defined in section 2(8) of the Finance Act 1976” substitute “as defined in paragraph 5 of Schedule 6 (categories of alcoholic products: interpretation) to the Finance (No. 2) Act 2023”.

The Excise Warehousing (Etc.) Regulations 1988

3.—(1) The Excise Warehousing (Etc.) Regulations 1988(b) are amended in accordance with sub-paragraphs (2) to (6).

(2) In regulation 3 (application) omit paragraph (2).

(3) In regulation 14 (operations)—

(a) in paragraph (1) for “or under sections 57 and 58 of the Alcoholic Liquor Duties Act 1979 (mixing of spirits with made-wine or wine)” substitute “section 86 of the Finance (No. 2) Act 2023 (mixing alcoholic products)”;

(b) in paragraph (8) for “made-wine” substitute “other fermented product”.

(4) In regulation 17(7)(d) (removal from warehouse – general) for “section 8 of the Alcoholic Liquor Duties Act 1979 (remission of duty in respect of spirits used for medical or scientific purposes)” substitute “section 78(1) and (2) of the Finance (No. 2) Act 2023 (authorised use for certain purposes)”.

(5) Omit regulation 31 (ascertainment of duty by reference to labels etc.).

(6) In Schedule 1 (operations which may be permitted on warehoused goods)—

(a) in paragraphs 3 and 4, for “made-wine”, in both places it occurs, substitute “other fermented product”;

(b) in paragraph 4, for “liquor”, in each place it occurs, substitute “alcoholic product”.

(7) The amendments made by sub-paragraphs (2) to (6) apply to the Excise Warehousing (Etc.) Regulations 1988 as they apply in Northern Ireland by virtue of regulation 100 of the Excise Duties (Northern Ireland Miscellaneous Modifications and Amendments) (EU Exit) Regulations 2020(c).

The Cider and Perry Regulations 1989

4.—(1) The Cider and Perry Regulations 1989(d) are amended as follows.

(2) In regulation 4 (interpretation)—

(a) at the appropriate places insert—

““alcoholic product” has the meaning given by section 44 (meaning of “alcoholic product”) of the F(No. 2)A 2023;”;

““F(No. 2)A 2023” means the Finance (No. 2) Act 2023;”;

““other fermented product” has the meaning given by paragraph 12 of Schedule 6 (categories of alcoholic products: interpretation) to the F(No. 2)A 2023;”;

(b) for the definition of “cider” substitute—

““cider” has the meaning given by paragraph 5 of Schedule 6 (categories of alcoholic products: interpretation) to the F(No. 2)A 2023;”;

(c) for the definition of “duty” substitute—

(a) S.I. 1976/1206, to which there are amendments not relevant to these Regulations.

(b) S.I. 1988/809, amended by S.I. 2002/501; there are other amending instruments but none is relevant.

(c) S.I. 2020/1559, to which there are amendments not relevant to this Regulation.

(d) S.I. 1989/1355, amended by S.I. 2000/3213, 2001/2449, 2006/1058 and 2008/1885.

““duty” in the case of alcoholic products on which excise duty has been charged, or was chargeable, under the Act before 1st August 2023 means that duty, and in all other cases means “alcohol duty” within the meaning given by section 47 (alcohol duty: charge) of the F(No. 2)A 2023 and references to drawback are to be construed accordingly;”;

(d) omit the definition of “made-wine”;

(e) for the definition of “strength” substitute—

““strength” in relation to any alcoholic product means its alcoholic strength determined and ascertained in accordance with section 45 (alcoholic strength) of the F(No. 2)A 2023;”;

(f) for the definition of “wine” substitute—

““wine” has the meaning given by paragraph 11 of Schedule 6 (categories of alcoholic products: interpretation) to the F(No. 2)A 2023.”.

(3) Omit regulations 11A (the amount of cider in a large pack), 14A (protection of the revenue derived from excise duty on cider) and 24 (grower’s domestic consumption relief) and the Schedule (the tolerance requirements).

(4) In regulation 12(c)(iii) (removal without payment of duty) for “made-wine”, in both places it occurs, substitute “other fermented product”.

(5) In regulation 14(b) (production) for “made-wine” substitute “other fermented product”.

The Wine and Made-wine Regulations 1989

5.—(1) The Wine and Made-wine Regulations 1989(a) are amended as follows.

(2) In regulation 4 (interpretation)—

(a) at the appropriate places insert—

““alcoholic product” has the meaning given by section 44 (meaning of “alcoholic product”) of the F(No. 2)A 2023;”;

““F(No. 2)A 2023” means the Finance (No. 2) Act 2023;”;

““other fermented product” has the meaning given by paragraph 12 of Schedule 6 (categories of alcoholic products: interpretation) to the F(No. 2)A 2023;”;

(b) for the definition of “cider” substitute—

““cider” has the meaning given by paragraph 5 of Schedule 6 (categories of alcoholic products: interpretation) to the F(No. 2)A 2023;”;

(c) for the definition of “duty” substitute—

““duty” in the case of alcoholic products on which excise duty has been charged, or was chargeable, under the Act before 1st August 2023 means that duty, and in all other cases means “alcohol duty” within the meaning given by section 47 (alcohol duty: charge) of the F(No. 2)A 2023 and references to drawback are to be construed accordingly;”;

(d) omit the definition of “made-wine”;

(e) omit the definition of “sparkling”;

(f) omit the definition of “still made-wine”;

(g) omit the definition of “still wine”;

(h) in the definition of “producer” for “made-wine” substitute “other fermented product”;

(i) for the definition of “strength” substitute—

(a) S.I. 1989/1356, amended by S.I. 1996/2752, 1997/658, 2006/1058, 2007/4, 2008/1885 and 2010/593; there are other amending instruments but none is relevant.

““strength” in relation to any alcoholic product means its alcoholic strength determined and ascertained in accordance with section 45 (alcoholic strength) of the F(No. 2)A 2023;”;

(j) for the definition of “wine” substitute—

““wine” has the meaning given by paragraph 11 of Schedule 6 (categories of alcoholic products: interpretation) to the F(No. 2)A 2023;”

(k) in the definition of “winery” for “made-wine” substitute “other fermented product”.

(3) For “made-wine”, in each place it occurs in regulations 3 (application), 5 (application for a licence), 7 (licences), 8 (cancellation of licence), 9 (entries), 10 (withdrawal of entry), 11 (charge to duty), 12 (removal without payment of duty), 12A (constructive removal), 13 (discontinuance of trade), 14 (production), 15 (use), 18 (removal by pipe-line), 23 (furnishing of returns and payment of duty), 25 (drawback of duty) and 26 (conditions for drawback of duty), substitute “other fermented product”.

(4) Omit regulation 24 (grower’s domestic consumption relief).

The Spirits Regulations 1991

6. In the Spirits Regulations 1991(a) omit regulations 7 (rectifiers and compounders: entry of premises and plant), 18 (ascertainment of strength of spirits), 19 (ascertainment of volume of spirits) and 20 (application of regulations 18 and 19).

The Beer Regulations 1993

7.—(1) The Beer Regulations 1993(b) are amended as follows.

(2) In regulation 4 (interpretation)—

(a) at the appropriate place insert—

““F(No. 2)A 2023” means the Finance (No. 2) Act 2023;”;

(b) for the definition of “beer” substitute—

““beer” has the meaning given by paragraph 3 of Schedule 6 (categories of alcoholic products: interpretation) to the F(No. 2)A 2023;”;

(c) for the definition of “duty” substitute—

““duty” in the case of alcoholic products on which excise duty has been charged, or was chargeable, under the Act before 1 August 2023 means that duty, and in all other cases means “alcohol duty” within the meaning given by section 47 (alcohol duty: charge) of the F(No. 2)A 2023 and references to drawback are to be construed accordingly;”;

(d) omit the definition of “large pack”;

(e) for the definition of “strength” substitute—

““strength” in relation to any alcoholic product means its alcoholic strength determined and ascertained in accordance with section 45 (alcoholic strength) of the F(No. 2)A 2023;”.

(3) Omit regulations 8 (when the production of beer begins and when it is completed), 16 to 18 (rate of duty, the amount of beer in any container and the strength of the beer), 22 to 25 (mixing, addition of substances, dilution of beer and protection of the revenue derived from excise duty on beer) and Schedules 4 to 6 (method of determining the strength of beer, particulars of the additions of substances record and the tolerance requirements).

(a) S.I. 1991/2564, amended by S.I. 2005/1524, 2006/1058, 2013/1229, 2019/15; there are other amending instruments but none is relevant.

(b) S.I. 1993/1228, amended by S.I. 2000/3213, 2006/1058 and 2011/1795; there are other amending instruments but none is relevant.

The Travellers' Allowances Order 1994

8.—(1) The Travellers' Allowances Order 1994(a) is amended as follows.

(2) In Article 1A (interpretation) for “the Alcoholic Liquor Duties Act 1979” substitute “Part 2 of the Finance (No. 2) Act 2023”.

The Denatured Alcohol Regulations 2005

9.—(1) The Denatured Alcohol Regulations 2005(b) are amended in accordance with sub-paragraphs (2) to (5).

(2) In regulation 2 (interpretation)—

- (a) in the definition of “the Act” for “Alcoholic Liquor Duties Act 1979” substitute “Finance (No. 2) Act 2023”;
- (b) in the definition of “alcohol” for ““dutiable alcoholic liquor”” substitute ““alcoholic product””;
- (c) at the appropriate place insert—
““alcoholic product” has the meaning given by section 44 (meaning of “alcoholic product”) of the Act;”;
- (d) for the definition of “producer” substitute—
““producer” means a person who holds a licence under section 91 (licence to manufacture and deal wholesale in denatured alcohol) of the Act and who denatures, or intends to denature, alcohol at any premises;”.

(3) In regulation 4(1) (classes of denatured alcohol)—

- (a) after “purposes of” insert “Part 2 of”;
- (b) omit “, section 5 of the Finance Act 1995”.

(4) In regulation 9(1) (producer’s and distributor’s account of goods and distributor’s entry of premises), in the definition of “distributor”—

- (a) for sub-paragraph (a) substitute—
“(a) holds a licence under section 91 (licence to manufacture and deal wholesale in denatured alcohol) of the Act;”;
- (b) in sub-paragraph (c) after “deal or intends to deal wholesale in denatured alcohol” insert “that is not completely denatured alcohol”.

(5) In regulation 17(3) (disposal of stocks) for “an excise licence for the purpose of section 75 of the Act” substitute “a licence under section 91 (licence to manufacture and deal wholesale in denatured alcohol) of the Act”.

(6) The amendments made by sub-paragraphs (2) to (5) apply to the Denatured Alcohol Regulations 2005 as they apply in Northern Ireland by virtue of regulation 100 of the Excise Duties (Northern Ireland Miscellaneous Modifications and Amendments) (EU Exit) Regulations 2020.

The Duty Stamps Regulations 2006

10.—(1) The Duty Stamps Regulations 2006(c) are amended in accordance with sub-paragraphs (2) to (9).

(2) In regulation 2(1) (interpretation)—

- (a) omit the definition of “alcoholic liquor”;

(a) S.I. 1994/955, amended by S.I. 2020/1412; there are other amending instruments but none is relevant to these Regulations.

(b) S.I. 2005/1524, to which there are amendments not relevant to these Regulations.

(c) S.I. 2006/202, amended by S.I. 2008/1277, 2010/593, 2013/1229, 2019/15 and 2020/1412; there are other amending instruments but none is relevant.

- (b) at the appropriate place insert—
 - ““alcoholic product” means alcoholic product to which Schedule 12 to the Finance (No. 2) Act 2023 (alcohol duty: duty stamps) applies;”;
- (c) in the definition of “irregular stamper” omit “dutiable”.
- (3) In regulations 5(3), 9(2)(e) and 10(4) (conditions for obtaining type A stamps, registration and disqualification from being registered) omit “compounder”.
- (4) In regulation 10(7)(b) (disqualification from being registered)—
 - (a) omit “dutiable” in each place it occurs;
 - (b) for “section 17(1) of, and paragraphs 5(1) and 6(1) of Schedule 2A to, the Alcoholic Liquor Duties Act 1979” substitute “paragraphs 5(1) and 6(1) of Schedule 12 to the Finance (No. 2) Act 2023 (alcohol duty: duty stamps)”;
- (5) In regulation 19(1) (premises where duty stamps etc may be affixed) omit sub-paragraph (e).
- (6) In regulation 20 (times at which a retail container must be stamped) omit paragraph (4).
- (7) Omit regulation 31 (compounders).
- (8) In regulation 35(2) (offence of possession, sale etc of unstamped containers) for “Schedule 2A to the Alcoholic Liquor Duties Act 1979” substitute “Schedule 12 to the Finance (No. 2) Act 2023 (alcohol duty: duty stamps)”.
- (9) For “alcoholic liquor”, in each place it occurs, substitute “alcoholic product” except—
 - (a) in the definition of “alcoholic liquor” (omitted by paragraph (2)(a)), and
 - (b) in the references to the Alcoholic Liquor Duties Act 1979 in regulations 5(3), 10(4) and (7) and 35(1) and (2).
- (10) The amendments made by sub-paragraphs (2) to (9) apply to the Duty Stamps Regulations 2006 as they apply in Northern Ireland by virtue of regulation 97 of the Excise Duties (Northern Ireland Miscellaneous Modifications and Amendments) (EU Exit) Regulations 2020(a).

The Excise Goods (Holding, Movement and Duty Point) Regulations 2010

- 11.**—(1) The Excise Goods (Holding, Movement and Duty Point) Regulations 2010(b) are amended in accordance with sub-paragraphs (2) to (8).
- (2) In regulation 19(4)(a) for “alcoholic liquors” substitute “alcoholic products”.
 - (3) In regulation 38(2) for the definition of “beer” substitute—
 - ““beer” has the meaning given by paragraph 3 of Schedule 6 to the Finance (No. 2) Act 2023 (categories of alcoholic products: interpretation);”.
 - (4) In regulation 62 (simplified procedure for certain movements of alcoholic liquors)—
 - (a) in the heading and paragraphs (1) and (2), for “alcoholic liquors”, in each place it occurs, substitute “alcoholic products”;
 - (b) in paragraph (2B), for “made-wine”, in each place it occurs, substitute “other fermented product”;
 - (c) in paragraph (2E)—
 - (i) for “alcoholic liquors” substitute “alcoholic products”;
 - (ii) for “the liquors” substitute “the products”;
 - (d) in paragraph (3)—
 - (i) for “alcoholic liquor”, in each place it occurs, substitute “alcoholic product”;
 - (ii) for “the liquor” substitute “the product”;

(a) S.I. 2020/1559, amended by S.I. 2021/1282 and 2023/64.

(b) S.I. 2010/593, amended by S.I. 2011/2225, 2012/2786, 2019/13 and 2021/1156; there are other amending instruments but none is relevant.

(iii) for sub-paragraph (e) substitute—

“(e) if the amount of alcohol produced in the production premises where the alcoholic product was produced is relevant for the purposes of determining the duty charged on the alcoholic product, the alcoholic product must be accompanied by a certificate of alcohol production in a form approved by the Commissioners.”.

(e) for paragraph (5) substitute—

“(5) In this regulation—

“alcoholic product” has the meaning given by section 44 of the Finance (No. 2) Act 2023;

“beer” has the meaning given by paragraph 3 of Schedule 6 to that Act;

“cider” has the meaning given by paragraph 5 of Schedule 6 to that Act;

“other fermented product” has the meaning given by paragraph 12 of Schedule 6 to that Act;

“spirits” has the meaning given by paragraph 1 of Schedule 6 to that Act;

“wine” has the meaning given by paragraph 11 of Schedule 6 to that Act;

“packager”, in relation to beer, means a person carrying on the business of packaging beer.”.

(5) In regulation 63A (simplified procedure for direct exports of alcoholic liquors and tobacco products), in the heading and paragraphs (1) and (3), for “alcoholic liquors”, in each place it occurs, substitute “alcoholic products”.

(6) In regulation 81(6)(ii) (failure of excise goods to arrive at their destination) for “alcoholic liquors” substitute “alcoholic products”.

(7) In regulation 85A(1) (interpretation and application of Part 14A), in the definition of “relevant excise goods”, for sub-paragraph (d) substitute—

“(d) wine and other fermented product within the meaning given by paragraphs 11 and 12 (respectively) of Schedule 6 to the Finance (No. 2) Act 2023;”.

(8) In Schedule 1 (civil penalties – relevant regulations) for “alcoholic liquors”, in both places it occurs, substitute “alcoholic products”.

(9) The amendments made by sub-paragraph (3) and (6) apply to the Excise Goods (Holding, Movement and Duty Point) Regulations 2010 as they apply in Northern Ireland by virtue of regulation 2 of the Excise Duties (Northern Ireland Miscellaneous Modifications and Amendments) (EU Exit) Regulations 2020(a).

The Wholesaling of Controlled Liquor Regulations 2015

12.—(1) The Wholesaling of Controlled Liquor Regulations 2015(b) are amended as follows.

(2) In regulation 2 (interpretation)—

(a) in the definition of “the Act” for “Alcoholic Liquor Duties Act 1979” substitute “Finance (No. 2) Act 2023”;

(b) at the appropriate place insert—

““alcoholic product” has the meaning given by section 44 (meaning of “alcoholic product”) of the Act;”.

(3) In regulation 3(1) (application for approval) for “88C” substitute “100”.

(4) Omit regulation 7 (conditions and restrictions).

(5) In regulation 9 (sales treated as sales of controlled liquor)—

(a) in the heading, for “liquor” substitute “alcoholic product”;

(a) S.I. 2020/1559, amended by S.I. 2023/64.

(b) S.I. 2015/1516, amended by S.I. 2015/1921; there are other amending instruments but none is relevant.

- (b) for “Part 6A” substitute “Chapter 7 of Part 2”;
 - (c) in the words before paragraph (a), for “liquor” substitute “alcoholic product”;
 - (d) in paragraphs (a) and (b), for “liquor”, in each place it occurs, substitute “product”.
- (6) In regulation 10 (excluded sales) for “Part 6A” substitute “Chapter 7 of Part 2”.
- (7) In regulation 11 (applications for approval and registration of bodies corporate which are members of the same group)—
- (a) for “Part 6A” substitute “Chapter 7 of Part 2”;
 - (b) for “88J” substitute “106”.
- (8) In regulation 12 (applications for approval and registration of bodies corporate which are members of the same group)—
- (a) in paragraph (1), for “88C” substitute “100”;
 - (b) in paragraph (2), for “88D(1)” substitute “101”.
- (9) In regulation 19(1) (electronic communication by the Commissioners) for “88C” substitute “100”.
- (10) In regulation 24 (joint and several liability of members of a group), for “Schedule 2B of” substitute “Schedule 10 to”.
- (11) In regulation 25 (forfeiture)—
- (a) in paragraph (1)(a), for “88C(1)” substitute “100(1)”;
 - (b) in paragraphs (2), (3), (5) and (6), for “dutable alcoholic liquor”, in each place it occurs, substitute “alcoholic product”;
 - (c) in paragraphs (4), (5) and (6), for “88F”, in each place it occurs, substitute “103”;
 - (d) in paragraph (4) for “liquor” substitute “alcoholic products”.

The Excise Duties (Removal of Alcoholic Liquor to Northern Ireland and Miscellaneous Amendments) Regulations 2021

13.—(1) The Excise Duties (Removal of Alcoholic Liquor to Northern Ireland and Miscellaneous Amendments) Regulations 2021(a) are amended as follows.

- (2) In regulation 2 (interpretation)—
- (a) in the definition of “authorised person” for “either or both of sections 8 and 10 of the Alcoholic Liquor Duties Act 1979” substitute “section 78 (authorised use for certain purposes) of the Finance (No. 2) Act 2023”;
 - (b) at the relevant place insert—
 - ““relevant premises” has the meaning given by section 78(4) of the Finance (No. 2) Act 2023;”.
- (3) In regulation 4(1) (documents to accompany spirits removed to Northern Ireland) for “a warehouse” substitute “relevant premises”.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations bring into force on 1st August 2023 all the provisions of Part 2 of the Finance (No. 2) Act 2023 (“F(No. 2)A 2023”) that are not already in force by virtue of section 120 of the F(No. 2)A 2023, excepting:

section 74 (spoilt alcoholic products)

(a) S.I. 2021/1282.

section 82 (approval requirement: producers)

section 83 (supplementary provision about approvals)

section 84 (exemption: production for personal consumption)

section 85 (exemption: research and experiments)

section 89 (penalties and forfeiture) for the purposes of the provisions referred to in paragraph (a) of subsection (1) of that section

section 110 (removal of goods: application of section 95 of CEMA 1979)

section 111 (drawback)

Regulation 1 makes provision for citation and interpretation.

Regulation 2 provides for certain provisions of the F(No. 2)A 2023 to come into force (as described above in this note).

Regulations 3 and 4 make provision for certain sections of the Alcoholic Liquor Duties Act 1979 (“ALDA”) to be saved and modified as a consequence of not yet bringing into force certain sections of the F(No. 2)A 2023, ensuring the continued functioning of the alcohol duty regime.

Regulations 5 to 8 make modifications to the Customs and Excise Management Act 1979, F(No. 2)A 2023, the Beer Regulations 1993 and the Alcoholic Products (Excise Duty) Regulations 2023 as a consequence of those savings and modifications to ALDA.

Regulation 9 makes transitional provision in relation to approvals granted in respect of made-wine and alcohol duty.

Regulation 10 makes transitional provision in respect of alcoholic products charged to excise duty before 1st August 2023 for which the excise duty point occurs on or after 1st August 2023.

Regulation 11 revokes the Alcoholic Liquor Duties (Beer-based Beverages) Order 1994.

Regulation 12 introduces the Schedule which makes consequential amendments to various regulations and orders having effect under F(No. 2)A 2023: specifically:

the Duty-Free Supplies for the Royal Navy Regulations 1954

the Cider and Perry (Exemption from Registration) Order 1976

the Excise Warehousing (Etc.) Regulations 1988

the Cider and Perry Regulations 1989

the Wine and Made-wine Regulations 1989

the Spirits Regulations 1991

the Beer Regulations 1993

the Travellers’ Allowances Order 1994

the Denatured Alcohol Regulations 2005

the Duty Stamps Regulations 2006

the Excise Goods (Holding, Movement and Duty Point) Regulations 2010

the Wholesaling of Controlled Liquor Regulations 2015

the Excise Duties (Removal of Alcoholic Liquor to Northern Ireland and Miscellaneous Amendments) Regulations 2021

A Tax Information and Impact Note covering this instrument will be published on the website at <https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>

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