

Statutory Document No. 2019/0054

*Alcoholic Liquor Duties Act 1986*

ALCOHOLIC LIQUOR DUTIES ACT 1986 (AMENDMENT) ORDER 2019

Approved by Tynwald: 20th March 2019

Coming into Operation: in accordance with article 2

The Treasury makes the following Order under section 180(3) and (4) of the Customs and Excise Management Act 1986¹, as applied by section 72(2) of the Alcoholic Liquor Duties Act 1986.

1 Title

This Order is the Alcoholic Liquor Duties Act 1986 (Amendment) Order 2019.

2 Commencement

- (1) This Order comes into operation on the day it is approved by Tynwald².
- (2) However, when it is approved it shall be deemed to have come into operation on 1 February 2019³.

3 Amendment of the Alcoholic Liquor Duties Act 1986

- (1) The Alcoholic Liquor Duties Act 1986 is amended as follows.
- (2) In section 58(1A) (excise duty on cider)—

¹ Section 180(3) provides that the Treasury may by order add to, amend, vary or repeal any provision of the Customs and Excise Management Act 1986 as may appear expedient for the purpose of making that Act correspond, subject to such modifications, adaptations and exceptions as it considers appropriate, with the like legislation from time to time operating in the United Kingdom. Section 72(2) of the Alcoholic Liquor Duties Act 1986 provides that section 180 of the Customs and Excise Management Act 1986 shall have effect in relation to the Alcoholic Liquor Duties Act 1986 as it does in relation to the Customs and Excise Management Act 1986.

² Section 180(3) of the Customs and Excise Management Act 1986 provides that an order made under that section “shall not come into operation until it has been approved by Tynwald”.

³ Section 180(4) provides inter alia that an order made under section 180 may be made retrospective, on a day or days not being earlier than the date on which the corresponding legislation had effect in the United Kingdom.

- (a) in subparagraph (aa) (rate of duty on sparkling cider of a strength exceeding 5.5%) –
- (i) for “£279.46”, substitute **£288.10**; and
 - (ii) omit the “and” at the end of the subparagraph; and
- (b) after paragraph (aa), insert –
- £50.71** (ab) £50.71 per hectolitre in the case of cider of a strength of not less than 6.9 per cent but not exceeding 7.5 per cent which is not sparkling cider; and **£**.
- (3) In section 58B (cider labelled as strong cider) –
- (a) in the heading, after “strong cider”, insert **or mid-strength cider**;
 - (b) in subsection (1) –
 - (i) in the opening words, after “standard cider”, insert **or mid-strength cider**;
 - (ii) for paragraph (a), substitute –

(a) is in a container which is up-labelled as a container of strong cider; or
 - (iii) in paragraph (b), for “an up-labelled container”, substitute **a container which is up-labelled as a container of strong cider**; and
 - (iv) in the words after paragraph (b), after “standard cider”, insert **or mid-strength cider**;
 - (c) after subsection (1), insert –

(1A) For the purposes of this Act, any liquor which would apart from this section be standard cider and which –

 - (a) is in a container which is up-labelled as a container of mid-strength cider; or
 - (b) has, at any time after 31 January 2019 when it was in the Island, been in a container which is up-labelled as a container of mid-strength cider,

shall be deemed to be mid-strength cider, and not standard cider.
 - (d) for subsection (2), substitute –

(2) Accordingly references in this Act to making cider include references to –

 - (a) putting standard or mid-strength cider in a container which is up-labelled as a container of strong cider;
 - (b) causing a container in which there is standard or mid-strength cider to be up-labelled as a container of strong cider;

- (c) putting standard cider in a container which is up-labelled as a container of mid-strength cider; or
 - (d) causing a container in which there is standard cider to be up-labelled as a container of mid-strength cider. **22**;
- (e) in subsection (4)—
 - (i) in paragraph (a), for “not exceeding 7.5 per cent”, substitute **23** of less than 6.9 per cent **22**;
 - (ii) omit the “and” at the end of that paragraph; and
 - (iii) after paragraph (a), insert —
 - 23**(aa) “mid-strength cider” means cider which is not sparkling and is of a strength of not less than 6.9 per cent but not exceeding 7.5 per cent; and **22**;
- (f) in subsection (5), in the opening words, after “up-labelled”, insert **23** as a container of strong cider **22**; and
- (g) after subsection (6), insert—
 - 23**(7) For the purposes of this section a container is up-labelled as a container of mid-strength cider 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 mid-strength cider strength range.
 - (8) For the purposes of subsection (7), a strength falls within the mid-strength cider strength range if it is not less than 6.9 per cent but does not exceed 7.5 per cent.
 - (9) Where liquor is no longer in a container which is an up-labelled container, and it falls within subsection (1)(b) and within subsection (1A)(b), then it is deemed to be cider of the strength range stated or suggested by the labelling for the up-labelled container in which it was first contained.
 - (10) For the purposes of subsection (9)—
 - (a) an “up-labelled container” means—
 - (i) a container which is up-labelled as a container of strong cider as mentioned in subsection (1)(b); or

- (ii) a container which is up-labelled as a container of mid-strength cider as mentioned in subsection (1A)(b); and
- (b) references to the labelling for any container are references to anything on—
 - (i) the container itself;
 - (ii) a label or leaflet attached to or used with the container; or
 - (iii) any packaging used for or in association with the container. ~~22~~.

(4) In Schedule 1, for Part 1 of the Table in Schedule 1, substitute—

~~22~~ WINE OR MADE-WINE OF A STRENGTH NOT EXCEEDING 22%

Description of wine or made-wine	Rate of duty per hectolitre £
Wine or made-wine of a strength not exceeding 4%	91.68
Wine or made-wine of a strength exceeding 4% but not exceeding 5.5%	126.08
Wine or made-wine of a strength exceeding 5.5% but not exceeding 15% and not being sparkling	297.57
Sparkling wine or sparkling made-wine of a strength exceeding 5.5% but less than 8.5%	288.10
Sparkling wine or sparkling made-wine of a strength of at least 8.5% but not exceeding 15%	381.15
Wine or made-wine of a strength exceeding 15% but not exceeding 22%	396.72 22 .

MADE 30 JANUARY 2019

A L CANNAN
Minister for the Treasury

*EXPLANATORY NOTE**(This note is not part of the Order)*

This Order amends sections 58 and 58B of, and Part 1 of Schedule 1 to, the Alcoholic Liquor Duties Act 1986 which is concerned with excise duty rates on cider, wine and made-wine, and if approved by Tynwald, will be deemed to have come into operation on 1 February 2019 corresponding to provisions made in the United Kingdom under the Finance Act 2019.

Article 3 introduces a new mid-strength duty band for still cider of a strength of at least 6.9% but not exceeding 7.5%abv. This means there will now be three duty bands for still cider. The duty rate for sparkling cider which exceeds 5.5% abv is increased in line with inflation.

Article 3(3) amends section 58B to ensure that the up-labelling provisions reflect the creation of the new mid-strength cider band. The up-labelling provisions will operate as follows —

- (a) any standard cider that is in a container up-labelled as a container of mid-strength or strong cider will be deemed to be cider of a strength stated on the up-labelled container;
- (b) any standard cider that has, at any time since 31 December 1996, been in a container up-labelled as a container of strong cider and/or has been at any time since 1 February 2019 when the new mid-strength cider band took effect, been in in a container up-labelled as a container of mid-strength cider (but is no longer in an up-labelled container) will be deemed to be cider of a strength stated on the first up-labelled container in which it was contained; and
- (a) any mid-strength cider that is in, or has at any time since 31 December 1996 been in, a container up-labelled as a container of strong cider will be deemed to be strong cider.

Article 3(4) substitutes the Table in Part 1 of Schedule 1 which increases the duty rates of wine and made-wine of a strength not exceeding 22%.