



Notice 162: Cider Production

Notice 162: Cider Production

What is Notice 162?

“This notice explains the effects of the law and regulations covering the production, storage and accounting for duty on cider and perry.

Where we say 'cider' in this notice, we include perry and pear cider”



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Current Legislation

The Alcoholic Liquor Duties Act 1979

The Cider and Perry Regulations 1989 (SI 1989/1355), and

The Cider and Perry (Exemption from Registration) Order 1976 (SI 1976/1206).



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Current Legislation

The Customs and Excise Management Act 1979

The Revenue Traders (Accounts and Records) Regulations 1992 (SI 1992/3150), which cover the keeping of records

The Excise Goods (Holding, Movement, Warehousing and REDS) Regulations 1992 (SI 1992/3135), which cover the intra-Community movement and storage of goods

The Excise Goods (Drawback) Regulations 1995 (SI 1995/1046), and

The Excise Duty Points (Duty Suspended Movement of Excise Goods) Regulations 2001 (SI 2001/3022).



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Revisions

- February 1998
- March 2002
- Currently under review

“This notice has been restructured and rewritten to improve readability.

Any reference to the production of wine and made-wine has been removed. Notice 163 will cover this area.”





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Sections

1. Introduction
2. The Basics
3. Registration
4. Stopping production
5. Financial security
6. Duty rates and when duty becomes due
7. Cider duty - prohibition of dilution after the duty point
8. Records and accounts
9. Accounting for and paying duty
10. Measurement of quantity
11. Alcoholic strength

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Sections

12. Duty relief - general information
13. Irregularities, losses and deficiencies in registered premises
14. Products for reprocessing
15. Relief of duty on cider which has become spoilt or otherwise unfit for use
16. Low strength products
17. Samples
18. Duty on domestic consumption
19. Removals from cider premises
20. Removals of cider from registered premises to other EU Member States or the Isle of Man





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Sections

21. Exports of cider to non-EU countries
22. Removal of goods to HM ships and as ship stores
23. Supplies to diplomats and visiting forces within the UK and to entitled organisations in other Member States
24. Removals of cider from one registered premises to another without payment of duty
25. What if I want to remove cider to an excise warehouse?
26. Receipts from other registered premises or excise warehouses
27. Notification of cash transactions
28. List of permitted cider and perry ingredients
29. Distillation analysis: method of determining the strength of Cider

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What Hasn't Changed

Exemption from Registration

- you make, or propose to make, cider (including sparkling cider) for sale

and

- your total production - including cider for your own consumption - in any rolling period of 12 consecutive months does not exceed 70 hectolitres.

(3.9 Can I claim exemption from registration?)



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What Hasn't Changed

Exemption from Registration

- You must complete Form CP 33 (see Section 31) and send it to the National Registration Unit (see paragraph 3.2 for address and telephone number).

(3.10 How do I claim exemption from registration?)



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What Hasn't Changed

Duty Rates

- still cider exceeding 1.2% ABV but not exceeding 7.5% ABV;
- still cider exceeding 7.5% ABV but less than 8.5% ABV;
- sparkling cider exceeding 1.2% ABV but not exceeding 5.5% ABV (this category is treated as still cider as at (a) above)
- sparkling cider exceeding 5.5% ABV but less than 8.5% ABV.

(6.2 Is all cider dutied at the same rate?)



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What Hasn't Changed

Duty Payment

- Normally, the duty should be paid by the **15th day** following the end of your 'accounting period' in which the cider passed the duty point - see Section 9

(6.9 When must I pay the duty?)





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Proposed Changes

Registration

Note: All cider makers applying for registration for the first time are required to arrange for a guarantee to cover any duty due on cider, removed from your registered premises to the UK home market, until it is paid to HM Revenue & Customs – see Section 5.

Evidence of satisfactory trading eg a good 3 year VAT record

(3.2 How do I register?)



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Proposed Changes

Remote Destructions

a) Destructions in pub cellar

there must be a complete audit trail which confirms the cider has been destroyed and that it was duty paid; and

the destruction of the cider must be supervised by a responsible representative of the cider maker, for example, an Authorised Company Representative – ACR.

(15.8 Additional conditions for reclaiming duty on cider destroyed away from registered premises)



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Proposed Changes

Alcoholic Strength

For any methods not based on laboratory analysis, an independent analyst must test the ABV of each of your products, at least annually, to confirm consistency with calculated results. The results of these independent analyses must be held in your business records.

(11.2 How can I measure alcoholic strength)

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Proposed Changes

Alcoholic Strength

You must continuously monitor and record your ABV results, which should normally fall randomly on either side of the target strength. The average of your results should equate closely with the target which must be the declared strength.

(11.5 How can I demonstrate that due diligence has been exercised in the control of ABV?)





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List of permitted cider and perry ingredients

Additives

Sucralose (E955)

Colours

Anthocyanin (E163)

Beta-carotene (E160a)

(28 List of permitted cider and perry ingredients)

Voluntary ban FSA

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