

FINANCE ACT 2012

EXPLANATORY NOTES

INTRODUCTION

Section 186: Rates of Alcoholic Liquor Duties

Summary

1. [Section 186](#) provides for increases in the rates of excise duty charged on spirits, beer, wine and made-wine, and cider and perry, to have effect on and after 26 March 2012.

Details of the Section

2. Subsection (2) substitutes a new rate of excise duty for spirits in section 5 of the Alcoholic Liquor Duties Act 1979 (ALDA). The previous rate of £25.52 is replaced by £26.81.
3. Subsection (3)(a) substitutes a new rate of excise duty for beer of a strength exceeding 1.2 per cent but not exceeding 2.8 per cent in section 36(1AA)(za) of ALDA. The previous rate of £9.29 is replaced by £9.76.
4. Subsection (3)(b) substitutes a new rate of excise duty for beer, other than small brewery beer, in section 36(1AA)(a) of ALDA. The previous rate of £18.57 is replaced by £19.51..
5. Subsection (4) substitutes a new rate of excise duty for beer of a strength exceeding 7.5 per cent in section 37(4) of ALDA. The previous rate of £4.64 is replaced by £4.88.
6. Subsection (5)(a) substitutes a new rate of excise duty for sparkling cider of a strength exceeding 5.5 per cent in section 62(1A)(a) of ALDA. The previous rate of £233.55 is replaced by £245.32.
7. Subsection (5)(b) substitutes a new rate of excise duty for still cider of a strength exceeding 7.5 per cent in section 62 (1A)(b) of ALDA. The previous rate of £53.84 is replaced by £56.55.
8. Subsection (5)(c) substitutes a new rate of excise duty for all other ciders in section 62(1A)(c) of ALDA. The previous rate of £35.87 is replaced by £37.68.
9. Subsection (6) provides for the replacement of the Table of rates of duty on wine and made-wine in Schedule 1 to ALDA with a new table showing the new rates of duty.

Background Note

10. This section increases the excise duty rates on all alcoholic liquor by 2 per cent above the Retail Price Index (RPI) for all alcoholic drinks.