



Finance Act 2020

2020 CHAPTER 14

PART 3

OTHER TAXES

Alcohol liquor duties

81 Post-duty point dilution of wine or made-wine

(1) After section 55 of ALDA 1979 insert—

“55ZA Post-duty point dilution of wine or made-wine

- (1) This section applies if—
 - (a) wine or made-wine is imported into the United Kingdom or produced in the United Kingdom for sale,
 - (b) excise duty is chargeable on the wine or made-wine as a result of section 54 or 55,
 - (c) after the excise duty point in relation to that charge, a person mixes or otherwise adds, at any place in the United Kingdom, water or any other substance to the wine or made-wine in a case where what results (“the new product”) is intended for sale, and
 - (d) if the addition had taken place immediately before that duty point, the amount of the excise duty would have been greater than the amount actually payable.
- (2) The addition attracts a penalty under section 9 of the Finance Act 1994 (civil penalties), and the new product is liable to forfeiture.
- (3) This section has effect, despite section 8 of the Isle of Man Act 1979, as if a removal of wine or made-wine to the United Kingdom from the Isle of Man constituted its importation into the United Kingdom (and references to the

Status: This is the original version (as it was originally enacted).

charge to excise duty as a result of section 54 or 55 and to the excise duty point are to be read accordingly.”

- (2) The amendment made by this section has effect in relation to any addition of water or any other substance on or after 1 April 2020.