

1988 No. 1760

**CUSTOMS AND EXCISE**

**The Spirits (Rectifying, Compounding and Drawback)  
Regulations 1988**

<i>Made</i> - - - -	<i>14th October 1988</i>
<i>Laid before Parliament</i>	<i>24th October 1988</i>
<i>Coming into force</i>	<i>1st December 1988</i>

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by sections 19(1) and (1A) and 22(1), (3A), (4) and (10) of the Alcoholic Liquor Duties Act 1979(a), section 93(2)(a) of the Customs and Excise Management Act 1979(b), and section 9(2) of the Isle of Man Act 1979(c), and of all other powers enabling them in that behalf, hereby make the following Regulations:

**PART I**

**PRELIMINARY**

**Citation, commencement and interpretation**

1.—(1) These Regulations may be cited as the Spirits (Rectifying, Compounding and Drawback) Regulations 1988 and shall come into force on 1st December 1988.

(2) In these Regulations, unless the context otherwise requires –

“compounder” means a person holding a licence as a compounder under section 18 of the Alcoholic Liquor Duties Act 1979(d);

“officer” means the proper officer of Customs and Excise;

“rectifier” means a person holding a licence as a rectifier under section 18 of the Alcoholic Liquor Duties Act 1979.

(3) For the purposes of section 22(4) and (6) of the Alcoholic Liquor Duties Act 1979, “tinctures” means medicinal spirits, flavouring essences, perfumed spirits and British compounded spirits prepared as toilet waters, toilet vinegars, dentifrices, hairwashes and brilliantines.

---

(a) 1979 c.4; sections 19 and 22 were amended by the Finance Act 1981 (c.35), section 11(1) and Schedule 8, paragraphs 15 and 16 respectively. (b) 1979 c.2; section 93 was amended by the Finance Act 1981, section 11(1) and Schedule 8, and by the Finance Act 1986, (c.41) section 5 and Schedule 3. (c) 1979 c.58. (d) Section 18 was amended by the Finance Act 1986, section 114 and Part IV of Schedule 23.

### **Revocation**

2. Parts II, III, V, VI and regulation 76(2) of the Spirits Regulations 1952(a), the Spirits (Removal and Stock Books) Regulations 1967(b) and the Spirits (Removal and Stock Books) Regulations 1967, etc (Amendment) Regulations 1981(c) are hereby revoked.

### **Application**

3.—(1) Part II of these Regulations applies to all rectifiers and compounders, except in respect of operations carried out in an excise warehouse.

(2) Part III of these Regulations applies only in respect of claims for drawback on spirits.

## **PART II**

### **RECTIFIERS AND COMPOUNDERS**

### **Entry**

4. No person shall begin to carry on the business of a rectifier or of a compounder until he has made entry of the premises, rooms, places, fixed vessels and plant which he intends to use for keeping, rectifying or compounding spirits.

### **Changes not in accordance with existing entry**

5. A rectifier or compounder—

- (a) shall not alter, move or add to any entered premises, rooms, places, fixed vessels and plant in any way not in accordance with the entry thereof, unless he has given to the Commissioners 7 clear days' notice of his intention to do so; and
- (b) shall make entry of any premises, rooms, places, fixed vessels and plant which have been altered, moved, added or added to, which he intends to use for keeping, rectifying or compounding spirits before he uses them for that purpose.

### **Marking**

6. A rectifier or compounder shall, if so required by the officer, legibly mark on every vessel in the entered premises the capacity of the vessel in litres and the quantity and strength of spirits contained therein.

### **Stock account**

7. A rectifier or compounder shall—

- (a) keep at his premises a stock account in a form approved by the officer;
- (b) on receiving or sending out any spirits, enter in the stock account such particulars as the officer may require, and those particulars shall be entered at or within such time as the officer may require;
- (c) retain the stock account for not less than 2 years from the date of the last entry in it; and
- (d) produce the stock account when required to do so by the officer, and permit him to make notes in it or take copies or extracts from it.

---

(a) S.I. 1952/2229; the relevant amending instruments are S.I. 1960/1349, 1967/1094, 1979/1146 and 1981/1258. (b) S.I. 1967/1094, as amended by S.I. 1981/1258. (c) S.I. 1981/1258.

### **Account of spirits**

8. A rectifier or compounder shall permit the officer to take an account of the spirits in stock at any time.

## **PART III DRAWBACK**

### **Records**

9. A rectifier or compounder shall in respect of his business as such—
- (a) keep such records as the officer may require, and preserve all records for not less than 2 years at his trade premises or such other premises as the officer may approve;
  - (b) produce the records to the officer at such place and time as the officer may reasonably require, and allow the officer to inspect, copy, or take extracts from the records, and to remove the records at a reasonable time and for a reasonable period.

### **Notices, declarations and packing**

10. A rectifier or compounder intending to warehouse, export, ship as stores, or remove to the Isle of Man, any British compounded spirits or spirits of wine on drawback shall—

- (a) give to the officer 24 hours' notice in writing, specifying the place and time at which he intends to pack the goods;
- (b) produce them for examination by an officer at the place and time specified in the notice before they are packed; and
- (c) ensure that the vessels and containers in which the goods are packed are secured and marked in such manner as the officer may require.

### **Representative sample**

11. Before a sample is taken by an officer from any vessel containing British compounded spirits or spirits of wine, the rectifier or compounder shall be given an opportunity to stir up and mix the contents of that vessel.

### **Conditions in respect of payment of drawback**

12. Where drawback is allowed on any British compounded spirits or spirits of wine, it shall be on condition that —

- (a) if requested to do so by the officer the rectifier or compounder shall provide proof of the warehousing, exportation, shipment as stores or removal to the Isle of Man of the goods in respect of which drawback has been claimed; and
- (b) where it appears to the Commissioners that the amount of drawback paid in response to a claim was greater than the amount payable, the rectifier or compounder shall repay on demand the amount which appears to the Commissioners to have been overpaid.

New King's Beam House  
22 Upper Ground  
LONDON SE1 9PJ  
14th October 1988

*P.G. Wilmott*  
Commissioner of Customs and Excise

## **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations come into force on 1st December 1988. They replace Parts II, III, V, VI and regulation 76(2) of the Spirits Regulations 1952, the Spirits (Removal and Stock Books) Regulations 1967 and the Spirits (Removal and Stock Books) Regulations 1967, etc (Amendment) Regulations 1981 with simpler and up-dated provisions.

They provide for the control of licensed rectifiers and compounders other than in an excise warehouse. This includes requirements for such rectifiers and compounders to make entry of premises and plant and to keep stock accounts.

The Regulations make provision for claims for drawback of spirits duty by such rectifiers and compounders. This includes requirements for those claiming drawback to keep such records as the officer may require and to give 24 hours' notice of packing of spirits eligible for drawback.

85p net

ISBN 0 11 087760 8