
STATUTORY INSTRUMENTS

2001 No. 1712

The Tobacco Products Regulations 2001

PART III

EXCISE DUTY POINTS, SECURITY AND PAYMENT OF DUTY

Excise duty points

12.—(1) Subject to the provisions of this regulation, the excise duty point for tobacco products is the time when the tobacco products are charged with duty.

(2) If any duty suspension arrangements apply to the tobacco products, the excise duty point is the earlier of—

- (a) the time of their removal from any registered premises for home use;
- (b) the time of their consumption;
- (c) the time when there is any contravention of, or failure to comply with, duty suspension arrangements;
- (d) the time when the contravention of, or failure to comply with, duty suspension arrangements first came to the attention of the Commissioners;
- (e) the time of their receipt by a REDS;
- (f) the time of their receipt by the person who arranged for a REDS to account for the duty on them;
- (g) the time of their receipt by a person approved as an occasional importer under regulation 15 of the Excise Goods (Holding, Movement, Warehousing and REDS) Regulations 1992;
- (h) in the case of tobacco products that are not received by the person or at the place to which they were consigned, the time when they are charged with duty;
- (i) the time when premises cease to be registered premises;
- (j) the time when they are found to be missing from registered premises.

(3) In the case of chewing tobacco that is imported into the United Kingdom having been consigned from another member State, except where paragraph (2) above applies, the excise duty point is the time the chewing tobacco is received by the importer, owner or other person beneficially interested in it.

(4) If tobacco products have been relieved from payment of duty and there is a contravention of any condition subject to which the relief was afforded, the excise duty point is—

- (a) the time of that contravention, or
- (b) if that time cannot be readily ascertained, the time when that contravention first came to the attention of the Commissioners.

(5) In this regulation “chewing tobacco” means chewing tobacco of any description manufactured wholly or partly from tobacco or any substance used as a substitute for tobacco, and includes anything referred to or called chewing tobacco, but does not include herbal products.

(6) For the purposes of paragraphs (2)(e), (f) and (g) and (3) above, where the tobacco product is received after 11.59 am on a day upon which an increase in the rate of duty chargeable on that product takes effect the time of receipt is deemed to be the time at which that increase takes effect.

(7) This regulation does not apply to tobacco products that are warehoused in an excise warehouse.

Person liable to pay the duty

13.—(1) The person liable to pay the duty is the person holding the tobacco products at the excise duty point.

(2) Any person (not being the person specified in paragraph (1) above) who is described in paragraph (3) below is jointly and severally liable to pay the duty with the person specified in paragraph (1) above.

(3) Paragraph (2) above applies to—

- (a) the occupier of the registered premises in which the tobacco products were last situated before the excise duty point;
- (b) any REDS to whom the tobacco products were consigned;
- (c) any person who arranged for a REDS to account for the duty on the tobacco products;
- (d) any person approved as an occasional importer under regulation 15 of the Excise Goods (Holding, Movement, Warehousing and REDS) Regulations 1992 to whom the tobacco products were consigned;
- (e) any person who caused the tobacco products to reach an excise duty point.

(4) Paragraph (3)(a) above does not apply to the occupier of registered premises in which tobacco products were last situated before the excise duty point if the tobacco products were lawfully removed from his registered premises and—

- (a) he did not provide security for the accomplishment of the purpose for which the tobacco products were removed, and
- (b) some other person did provide security for the accomplishment of that purpose.

(5) In any case where paragraph (4) above applies the person who provided security for the accomplishment of the purpose for which the tobacco products were removed from registered premises is jointly and severally liable to pay the duty with any other person who is liable to pay the duty.

Payment and calculation of the duty

14.—(1) Except where regulations 17 to 19 below (deferred payment) apply, the duty must be paid at or before the excise duty point.

(2) For the purpose of calculating the amount of duty payable at the excise duty point, the weight of tobacco products (other than cigarettes) is their weight—

- (a) at the time of their entry into the production account, or
- (b) at such other time as the Commissioners may allow.

(3) For the purposes of complying with this regulation a manufacturer must keep a production account that shows for each tobacco product the quantity produced, the type, brand and size of retail packet, and the date of production and entry into that account.

(4) Except as the Commissioners may otherwise allow, the details referred to in paragraph (3) above must be entered into the production account immediately after whichever of the times

specified in paragraph (5) below is the earliest practicable time for this to be done before removal from the registered factory.

(5) The following times are specified for the purposes of paragraph (4) above—

- (a) the time when the tobacco products are first put into a state suitable for use;
- (b) the time when the tobacco products are first put into a state suitable for removal; and
- (c) the time when the tobacco products are first packed for delivery.

(6) Except as the Commissioners may otherwise allow, a manufacturer must preserve a production account for not less than six years from the date of the last entry in that account.

Recommended retail prices, weights and deficiencies

15.—(1) The manufacturer or importer of tobacco products intended for retail sale in the United Kingdom must, before the excise duty point for those products, notify the Commissioners of the information specified in paragraph (2) below.

(2) The information to be notified by a manufacturer or importer in relation to all the tobacco products he manufactures or imports is—

- (a) the brand name and description of each tobacco product;
- (b) the retail packet sizes for each brand (the number of cigarettes or cigars and the weight of each product if that product is not cigarettes);
- (c) the price he recommends for each packet size of each brand of tobacco product;
- (d) the brand name, description and retail packet sizes of any tobacco product for which he does not recommend a retail price.

(3) Where a manufacturer or importer has notified the Commissioners in accordance with paragraph (1) above he is to be treated as complying with that paragraph if, before the excise duty point for the tobacco product concerned, he notifies any changes to the information already notified.

(4) The occupier of registered premises must, without delay, notify the Commissioners of any deficiencies of tobacco products discovered by him, whether as a result of stocktaking or otherwise.

(5) Notification given in accordance with this regulation must be in such form and manner as the Commissioners may require.

Security

16. If the Commissioners so require the occupier of registered premises must give security for the payment of any duty that may become payable—

- (a) on tobacco products manufactured or received by him, or
- (b) under section 8 of the Act (charge in cases of default).

Deferred payment—payment day

17.—(1) Any person liable to pay the duty due on tobacco products to which this regulation is applicable may, subject to regulations 18 and 19 below, elect to defer payment of that duty until payment day.

(2) This regulation is applicable to—

- (a) imported tobacco products for which the excise duty point is the time of their importation;
- (b) tobacco products imported by a REDS (including any importation where the tobacco products are moved under the instructions of a REDS or are, in accordance with registered excise dealers and shippers regulations, deemed to be so moved);

- (c) tobacco products that are entered for removal from an excise warehouse for home use; and
 - (d) tobacco products entered for removal from registered premises for home use.
- (3) In relation to tobacco products for which the excise duty point is the time of their importation or that are entered for removal from an excise warehouse for home use payment day is—
- (a) where but for the deferment granted by this regulation the duty would be payable during a period beginning on the 15th day of one month and ending on the 14th day of the next month, the 29th day of that next month (or the 28th day in the case of a month that has only 28 days), or
 - (b) if that day is not a business day, the last business day before that day.
- (4) In relation to tobacco products imported by a REDS payment day is—
- (a) the 15th day of the month following the month in which the duty would, but for the deferment granted by this regulation, be payable, or
 - (b) if that day is not a business day, the last business day before that day.
- (5) In any other case payment day is—
- (a) the 15th day of the month following the month in which the duty would, but for the deferment granted by this regulation, be payable, or
 - (b) if that day is not a business day, the next business day following that day.

Deferred payment—approval of arrangements

- 18.**—(1) Before electing to make deferred payment of duty the person liable to pay the duty must—
- (a) make application to the Commissioners for approval of the arrangements by which the duty is to be paid on payment day, and
 - (b) give to the Commissioners such security for payment by him of any amount of duty becoming payable as the Commissioners may from time to time require.
- (2) Where the Commissioners are satisfied with those arrangements and the security offered they must approve them in writing.
- (3) A person whose arrangements have been approved must notify the Commissioners forthwith of any change in any information given to them for the purpose of approving those arrangements.
- (4) If any security given under this regulation at any time falls short of that required by the Commissioners the right to defer payment under regulation 17 above does not apply in respect of the unsecured duty.
- (5) The Commissioners may for reasonable cause vary or revoke any approval granted under this regulation.

Deferred payment—payment of duty

- 19.** On each payment day the person whose arrangements have been approved under regulation 18 must—
- (a) pay the amount due to the Commissioners in accordance with those arrangements, or
 - (b) where those arrangements involve the collection of the amount due to the Commissioners by means of a direct debit, ensure that he has sufficient funds in his account to satisfy the claim for payment.

Returns

20. The occupier of registered premises must make such returns at such time, in such form and manner and containing such particulars as the Commissioners may require.