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STATUTORY INSTRUMENTS

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**2004 No. 1296**

**The Beer from Small Breweries (Extension of Reduced Rates of Excise Duty) Order 2004**

**Amendments to Part 3 of the Alcoholic Liquor Duties Act 1979**

3.—(1) Part 3 of the Alcoholic Liquor Duties Act 1979(1) (excise duty on beer) is amended as follows.

(2) In section 36C (meaning of “small brewery beer”: beer from singleton breweries), in subsections (3), (5), (6) and (10), for “30,000 hectolitres” substitute “60,000 hectolitres”.

(3) In section 36D (rate of duty for small brewery beer from singleton breweries), after subsection (6) insert—

“(6A) Subsection (6B) below applies if—

- (a) beer was produced in the brewery in the previous year and the amount produced in the brewery in that year was more than 30,000 hectolitres but not more than 60,000 hectolitres, or
- (b) no beer was produced in the brewery in the previous year and the grossed-up amount of the estimate under section 36C(9) above of the brewery’s production in the current year is more than 30,000 hectolitres but not more than 60,000 hectolitres.

(6B) If this subsection applies, “the brewery rate” is, subject to rounding under subsection (7) below, given by—

$$\frac{P - (2500 - 8.33\% \text{ of } P \text{ in excess of } 30,000 \text{ hectolitres})}{P} \times \text{the standard beer duty rate at the time concerned}$$

where—

if this subsection applies by reason of subsection (6A)(a) above, P is the amount, in hectolitres, of beer produced in the brewery in the previous year, and

if this subsection applies by reason of subsection (6A)(b) above, P is the grossed-up amount (expressed in hectolitres) mentioned in subsection (6A)(b).”.

(4) In section 36D(7), for “or (6)” substitute “, (6) or (6B)”.

(5) In section 36D(8), for “and (6)” substitute “, (6), (6A)(a) and (6B)”.

(6) In section 36E (meaning of “small brewery beer”: beer from co-operated breweries), in subsections (4), (6), (7) and (11), for “30,000 hectolitres” substitute “60,000 hectolitres”.

(7) In section 36F (rate of duty for small brewery beer from co-operated breweries), after subsection (9) insert—

“(9A) Subsection (9B) below applies if—

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*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

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- (a) beer was produced in at least one group brewery in the previous year and the notional previous year's production is more than 30,000 hectolitres but not more than 60,000 hectolitres, or
- (b) no beer was produced in the group in the previous year and the aggregate mentioned in subsection (6)(b) above is more than 30,000 hectolitres but not more than 60,000 hectolitres.

(9B) If this subsection applies, "the brewery rate" is, subject to rounding under subsection (10) below, given by—

$$\frac{P - (2500 - 8.33\% \text{ of } P \text{ in excess of } 30,000 \text{ hectolitres})}{P} \times \text{the standard rate}$$

where—

if this subsection applies by reason of subsection (9A)(a) above, P is the previous year's notional production,

if this subsection applies by reason of subsection (9A)(b) above, P is the amount, in hectolitres, of the aggregate mentioned in subsection (6)(b) above, and

"the standard rate" means the standard beer duty rate at the time mentioned in subsection (1) above."

(8) In section 36F(10), for "or (9)" substitute ", (9) or (9B)".