

# WineGB response

18<sup>th</sup> March 2024



## Draft regulations: The Alcoholic Products (Excise Duty) (Amendment) Regulations 2024

WineGB welcomes the opportunity to provide input to this consultation on the proposed amendment to *The Alcoholic Products (Excise Duty) (Amendment) Regulations 2024*.

There has been a lot of change in the UK's excise duty regime in the last year. The scale of both the duty increases and the administrative / financial burden of changing the way excise duty is calculated has impacted still and sparkling wines hardest of all the UK's alcohol beverage categories. Looking forward these changes will continue with the removal of the easement in less than a year's time.

While the proposed changes outlined in this consultation are more technical in nature a period of calm with regards to excise duty, to allow the reforms bed in and our members to focus on what's really important i.e. the day-to-day job of running and making a success of their businesses, would not be unwelcome.

WineGB's general view of these proposals are that we believe that:

- the timetable from implementation of the new Regulations to live testing feels very tight and is probably too short
- a one-year standstill on their implementation (and /or a light touch approach once they go live) should be built into the proposed new rules to give time for economic operators to adjust, and
- a special helpline with a dedicated individual /team should be in place and live to provide support to economic operators with the transition and the implementation of these changes.

We think that the proposed amendments to the Regulation provide clarity over alcohol duty in general and that providing a single excise duty system for alcoholic products could be a positive and useful step forward.

We do think that the proposed changes outline new approval permissions and better payment/duty credit terms which we see as being of help to English and Welsh wine production.

We are positive around wishing to roll out these changes and trial them with our concerns, as outlined above, more focusing on the very ambitious timeframe within which HMRC hope to see these changes rolled out and implemented. We do think however that if challenges arise a mechanism should be considered and put

in place which would allow easy amendment to facilitate addressing such challenges.

Finally, we are also of the view that the introduction of these proposals needs to be accompanied by clear, unambiguous guidance aimed at making the transition to the new processes as clear and as easy as possible for effected economic operators.