

12.6 Excise Duty - Beer

Beer - which is brewed in the UK or imported

Class/Description	Tax type code	Rate of Excise Duty
► Made in UK (Standard rate i.e.-Annual production more than 60,000 hectolitres)	407	£17.32 for each hectolitre per 1% abv charged to the nearest 0.1% (and the respective proportionate charge for parts of hectolitres)
Imported Beer (Standard rate i.e.-Annual production more than 60,000 hectolitres)	473	£17.32 for each hectolitre per 1% abv charged to the nearest 0.1% (and the respective proportionate charge for parts of hectolitres)
Made in UK* Small brewery beer eligible to reduced rates. (Variable rate i.e.-Annual production more than 5,000 hectolitres but not exceeding 60,000 hectolitres)	440	£8.66-£17.32 for each hectolitre per 1% abv charged to the nearest 0.1% (and the respective proportionate charge for parts of hectolitres)
Imported Beer* Small brewery beer eligible to reduced rates. (Variable rate i.e.-Annual production more than 5,000 hectolitres but not exceeding 60,000 hectolitres)	441	£8.66-£17.32 for each hectolitre per 1% abv charged to the nearest 0.1% (and the respective proportionate charge for parts of hectolitres)
Made in UK* Small brewery beer eligible to reduced rates. (Reduced rate i.e.-Annual production no more than 5,000 hectolitres)	442	£8.66 for each hectolitre per 1% abv charged to the nearest 0.1% (and the respective proportionate charge for parts of hectolitres)
Imported Beer* Small brewery beer eligible to reduced rates. (Reduced rate i.e.-Annual production no more than 5,000 hectolitres)	443	£8.66 for each hectolitre per 1% abv charged to the nearest 0.1% (and the respective proportionate charge for parts of hectolitres) ◀
If total alcohol by volume does not exceed 1.2%	431	NIL
<p>* Reduced rates of duty were introduced from 1.6.02 for beer produced by independent breweries producing no more than 30,000 hectolitres. For breweries producing between 5-30,000 hectolitres, the following arithmetical formula is used to calculate the rate of duty. (Annual Production - 2500)/Annual Production x standard rate of duty at the time concerned. This must be rounded up to the nearest penny.</p> <p>Reduced rates of duty were also introduced from 1.6.04 for beer produced by independent breweries producing between 30,000 and 60,000 hectolitres. The following arithmetical formula is used to calculate the rate of duty for these breweries:</p> $\frac{(\text{Annual Production} - (2,500 - 8.33\% \text{ of Annual Production in excess of } 30,000\text{HL})) \times \text{standard rate of duty at the time concerned}}{\text{Annual Production.}}$ <p>This must be rounded up to the nearest penny.</p>		

Definitions and notes

"Beer" includes ale, porter, stout and any other description of beer and any liquor which is sold as beer or as a substitute for beer and on analysis a sample is found to be of an alcoholic strength exceeding 0.5%.

Alcohol by volume is the proportion of alcohol as a percentage of the fermented beer.

The duty is charged on alcoholic strength to one decimal place e.g. 4.19% abv becomes 4.1% abv (ignore figures after the first decimal place).

Low alcohol beverages made from malt exceeding 0.5% but not exceeding 1.2% are not liable to excise duty.

Examples of beer based beverages are set out in Section 12.9 which also shows the rate of excise duty for these products up to 5.5%.

Beer and spirits mixtures exceeding 1.2% are liable to duty at the spirits rate. Beer mixtures containing dutiable liquors other than spirits and exceeding 5.5% are liable at the appropriate made-wine rate.