

Administration & Control of Tax Warehouses Manual

Part 2 – Breweries, Microbreweries and Cider Manufacturers

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1 Breweries

1.1 Administration & Control of Tax Warehouse Manual

Revenue's Administration & Control of Tax Warehouses Manual is a three-part manual issued for the information and guidance of Revenue officers with responsibility for the administration, control and audit of authorised warehousekeepers and approved tax warehouses.

This is **Part 2** of the manual which provides operational guidelines for staff with responsibility for the administration and control of **Breweries, Microbreweries and Cider Manufacturers**, which are types of approved manufacturing tax warehouses where production, processing and holding of beer or cider on which Alcohol Products Tax (APT) has not been paid, takes place.

Parts 1 and **3** of the manual have been issued separately as follows:

- [Part 1 – General Warehousing Provisions](#), and
- [Part 3 – Distilleries](#)

Officers should note **Part 1 – General Warehousing Provisions** is specifically relevant to the administration and control of breweries, microbreweries and cider manufacturers and should be read in conjunction with these guidelines.

For information on procedures for the authorisation of persons as warehousekeepers, and approval of premises as tax warehouses, officers should refer to Revenue's manual [Authorisation of Warehousekeepers and Approval of Tax Warehouses](#).

1.2 Cancellation of Instructions

This manual supersedes and cancels the following instructions:

Instruction	Section
Beer Duty Instructions 1995	All
O.I. 2001 No. 20: Amendment to Beer Duty Instructions	All
O.I. 2003 No. 16: Value Added Tax on Imported Goods	Section 4
O.I. 2005 No. 30: Alcohol Products Tax Relief for Beer Produced in Microbreweries	All

1.3 Legislation & Public Notices

1.3.1 EU General Excise Law

The EU law concerning the general arrangements for Excise Duty is set down in [Council Directive 2008/118/EC](#) of 16 December 2008 (the Directive), which repealed [Council Directive 92/12/EEC](#). In addition to the provisions for chargeability, liability, certain reliefs, and production, processing and holding, the Directive covers the arrangements for the movement of excisable products within the European Union.

1.3.2 EU Alcohol Law

The EU law concerning the harmonization of the structures of excise duties on alcohol and alcoholic beverages is set down in [Council Directive 92/83/EEC](#) of 19 October 1992. Also the [Commission Implementing Regulation \(EU\) 2021/2266](#) of 17th December 2021 lays down rules for the application of [Council Directive 92/83/EEC](#) as regards the certification and self-certification of independent small producers of alcoholic beverages for excise duty purposes.

1.3.3 National Law

The general national arrangements for excise duties are in [Part 2 of the Finance Act 2001](#), which was substantially amended by the [Finance Act 2010](#) to take account of Council Directive 2008/118/EC. All references in this manual to sections are, unless otherwise stated, to sections of that Part.

Section 108A covers production processing and holding in a tax warehouse, and section 109 provides for the authorisation of warehousekeepers and the approval of tax warehouses. In addition, the Alcohol Products Tax Regulations 2004 ([S.I. No 379 of 2004](#)) set down requirements and procedures in the tax warehouse.

[Part 2 of Finance Act 2003](#), as amended, provides for the liability and payment of APT, including relief from APT for spoilt alcohol products. Section 78A provides for the 50% relief of the APT on beer produced in microbreweries. In addition, section 78B concerns certification of small independent producers availing of relief from APT when consigning alcoholic beverages to other member states.

1.3.4 Public Notices

The following Public Notices should be read in conjunction with this manual:

- [Public Notice 1877](#): Excise: Revenue's Guide for Tax Warehousekeepers,
- [Public Notice 1890](#): Excise: Authorisation of Warehousekeepers and the Approval of Tax Warehouses,
- [Public Notice 1886](#): Alcohol Products Tax,

- [Public Notice 1888](#): Repayment of Alcohol Products Tax on Beer Produced in Qualifying Microbreweries.

1.4 Excise Licence

Any producer of beer for commercial purposes will require a beer manufacturer's excise licence. This licence authorises wholesale dealing in specified quantities from the premises in which the product is manufactured. The licence is issued by the National Excise Licence Office (NELO), Waterford.

For further information on excise licences, officers should refer to Revenue's [Guide to Excise Licences](#).

1.5 General Brewing Process

Revenue officers responsible for the administration and control of breweries should acquire knowledge and understanding of the brewing process, and the terms in use in the industry.

To make beer, brewers use water and barley to create a sweetened liquid (the wort) which they flavour with hops, then ferment with yeast. This is the basic process and may vary in the type and scale of equipment used but the operation typically follows the sequence: water treatment, malting, milling, mashing, brewing, cooling and fermentation, followed by conditioning, filtering (finishing) and packaging (racking).

The various stages of the brewing process for each type of beer will be recorded by the brewer on a brew sheet (brewing record). This record will be available for inspection in the brewery by the Revenue officer. This record may be in electronic format, and will typically show the following details:

- Brew number,
- Brew date,
- Brew type,
- Brewing record to show identity of brewing vessel, ingredients, original gravity of brew,
- Fermentation record to show details of brewing vessel, specific gravity of brew, transfer date to conditioning vessel and identity of conditioning vessel, and
- Record of rackings (packaging) to show dates and quantities.

Officers should inspect brew sheets during their visit to ensure that they are properly maintained.

For breweries also involved in bottling of product, officers should refer to paragraph 5.4 of [Part 1 - General Warehousing Provisions](#).

1.6 Application for Approval

The approval of a brewery tax warehouse is dealt with under section 109 of the Finance Act 2001 as a manufacturing tax warehouse. The procedures for approval as outlined in section 3 of the [Authorisation of Warehousekeepers and the Approval of Tax Warehouses Manual](#) should be followed.

Officers should pay particular attention to paragraph 3.14 of the above manual which provides guidelines on financial security / bonds required to secure the Excise Duty at risk in approved tax warehouses. Pending completion of a general review of bonds / security requirements, the calculation model set out in paragraph 3.14.4 in that manual should be used when calculating bonds for brewery tax warehouses.

1.7 Ascertainment of Quantity for Duty Purposes

The vessels used for the brewing and storage of beer (bulk) must be gauged and calibrated to the satisfaction of Revenue in order to allow the contents of such vessels to be accurately gauged and recorded.

The duty is to be accounted for on the actual quantity of beer in each package as it passes the duty point. However, Revenue will accept, for duty purposes, the nominal quantity, determined under the “average system”, as representing the volume of beer in a package. Under this system, the average contents of packages must not be less than the declared contents, i.e. that marked on the label attached to the bottle or can, or in the case of kegs, that shown on the invoice or delivery document. Brewers (as packers), using the average system of quantity control, are obliged to monitor and record the actual quantity of beer in a percentage of packages to ensure they comply with their obligations under [the Packaged Goods \(Quantity Control\) Act, 1980](#). [The National Standards Authority of Ireland](#) is the statutory body responsible for the regulation of packers concerning the quantities contained in pre-packaged goods.

Where the monitoring indicates that during an APT accounting period, the weighted average overfill for any beer product is 1% or more in excess of the quantity shown on the label attached to the can or bottle (or invoice or delivery documents in respect of kegs), the brewer is required to declare and pay the APT on the additional quantity, i.e. on the difference between the quantity shown on the labels or invoices

/delivery documents and the quantity actually packaged as recorded in the monitoring records.

Excise Duty becomes payable when the beer passes the duty point, i.e. when it leaves duty suspension (also referred to as “out-the-gate”). This normally occurs when the product is moved from the duty-suspension area of the warehouse, either for delivery or transfer to a duty-paid storage area. In addition, beer is considered to have left duty suspension when there is a failure to comply with any requirements relating to the duty suspension arrangements.

1.8 Method of Determining Alcoholic Strength

The methods that are acceptable for the determination of the strength of alcohol products are outlined in Part 4 of the Alcohol Products Tax Regulations 2004 ([S.I. No 379 of 2004](#)). These regulations also permit the Revenue officer to require or allow other methods in particular cases.

The following may be used in determining the Alcohol by Volume (ABV) of a product in order to establish for official purposes the strength of beer produced in a brewery tax warehouse:

- The SCABA (Servo Chem Automatic Beer Analyser),
- Near infra-red spectrometers,
- Combined density-meters that use near infra-red spectroscopy (NIR).

Any near infra-red spectrometers or combined density meters used by a brewer, should be calibrated in accordance with manufacturer’s instructions, and a number of samples of known ABV content should be analysed against the calibration. A record of all calibrations should be kept for inspection by the Revenue officer. A method validation report provided by the brewery should also be forwarded to the State Laboratory for review.

If a brewer intends to use another system for establishing the ABV, application should be made to the Revenue officer with full details, to include technical specifications of the system proposed. In every such case the Revenue officer should consult the State Laboratory. The brewer should also be advised that any new system cannot be put in place until it has received Revenue approval.

1.9 Ascertaining the Strength of Packaged Beer using the Weighted Average Method

1.9.1 General

For duty purposes, the alcoholic strength of beer must be declared to one decimal place only and rounded down with values beyond the first decimal place disregarded, for example, 4.19% vol. should be rounded down to 4.1%.

However, the alcoholic strength of each beer product usually varies within a certain range specified by the brewer in their product specification. The range of variance differs for the various beer products but is generally in the order of 0.3% to 0.5%.

The brewer when delivering a beer product from stock for home use is therefore not in a position to declare the actual strength of the beer in each container delivered, e.g. keg / bottle.

In order to overcome this problem and to ensure that the proper amount of APT is charged and paid on beer products, the brewer will be allowed, under the conditions of their warehouse approvals', to declare for duty purposes the strength of a beer product, i.e. a brand of beer packaged in a particular type and size of container, e.g. 30 litre keg, at the weighted average actual strength (% vol.) of the product, as established during the duty accounting period in which packaged, in accordance with the method set out below.

The duty accounting period is the calendar month, except where there is a change in the rate of duty during the course of the month.

1.9.2 Ascertaining the Weighted Average Actual Strength

The brewer is required to ascertain the actual strength (% vol.) of the beer and the quantity packaged in respect of each packaging operation, and to record this information in a special record, to be known as the **Beer Strength Record**. A separate entry is to be kept in this record in respect of each individual beer product and the information required is to be recorded and entered as soon as possible after the information becomes available to the brewer, but in any event no later than the end of the day in which the operation took place. Each individual racking from a specific Bright Beer Tank (BBT), or other such bulk storage vessel, for packaging, is to be regarded as a separate operation for the purpose of this exercise. A sample copy of the Beer Strength Record is available at [Appendix 1](#).

In respect of each packaging operation, the brewer must draw a representative sample of the beer to be racked from the relevant BBT, or other such bulk storage vessel, and determine the alcoholic strength (% vol.) of the beer sample, in the approved manner (analysis by use of SCABA, NIR, or other means of determining

strength approved by Revenue), to an accuracy of two decimal places, e.g. 4.27% vol. The strength should as far as practicable, be ascertained, and recorded in the Beer Strength Record before the racking operation commences. The brewer must also ascertain the bulk quantity, in hectolitres to two decimal places, of the beer packaged, by reference to the number and size of containers packaged, or by any other method approved in advance by Revenue. The brewer must compute the hectolitre percentage (hl. %) quantity in respect of each packaging operation by multiplying the bulk quantity by the % vol. strength (rounding down to an accuracy of two decimal places) and enter the result in the Beer Strength Record, as soon as practicable.

At the end of each accounting period, the brewer should total the bulk quantities and hectolitre % quantities in respect of each beer product packaged and record these totals in the Beer Strength Record. The brewer must also calculate the weighted average actual strength for each product by dividing the total hectolitre % quantity by the total bulk quantity (HLs.) appropriate to the particular product and record this information on the Beer Strength Record (see sample at [Appendix 1](#)).

1.9.3 Official Controls

The officer should regularly check the Beer Strength Record to ensure that it is properly maintained by the brewer. A proportion of the entries in this record should be checked against relevant information in primary source documents. In the case of entries relating to % vol. strength, the officer should inspect the relevant laboratory source records, i.e. SCABA printouts, NIR records, etc., and verify that the particulars entered agree with the brewers analysis results recorded on the source documents. Similarly, the officer should inspect the stock records relating to bulk beer used in packaging operations, and outturn record of kegs, etc., filled during such operations and verify that the relevant bulk quantity entries on the Beer Strength Record are correct.

At the end of each accounting period when the brewer has computed the weighted average actual strength for each product, the officer should check a portion of such computations to verify accuracy. These checks should be commensurate with risk.

Any irregularities or discrepancies in the particulars of the Beer Strength Record should be investigated and an explanation requested from the brewer where necessary.

After the end of each accounting period, when the results of the State Laboratory's analysis of samples drawn during the period are to hand, the officer should recalculate the weighted average actual strength, based on results found by the State Laboratory of any beer product where the result of analysis of one or more samples relating to the product, shows a higher % vol. strength than that entered on

the Beer Strength Record. Where the recalculation of any product produces a weighted average strength result that is significantly greater than that entered to the brewer's Beer Strength Record, the matter should be investigated with the brewer.

1.10 Bottle-Conditioned Beer

1.10.1 General

Bottle-conditioned beer is beer that is matured or conditioned over a period of time, in the bottle in which it is packaged for retail sale. The conditioning or maturing process takes place as a result of secondary fermentation of the beer in the bottle. As a consequence, the alcoholic strength of the beer is likely to increase after the beer has been bottled and may not achieve its final strength until after it passes the duty charge point (the time when the APT is payable). APT, however, is chargeable on the strength that such beer is reasonably expected to have when sold to the final consumer or otherwise supplied for consumption.

1.10.2 Determining the Strength of Bottle Conditioned Beer

The alcoholic strength of bottle-conditioned beer is to be declared for duty purposes, by a brewer, on the basis of the weighted average strength of the beer ascertained in accordance with the procedures set out in [paragraph 1.9](#), adjusted by the addition to it of the average increase in strength that occurs as a result of the secondary fermentation of the beer in bottle. When lodging the monthly Brewers Beer Duty Return (C & E 1098), see [Appendix 2](#) for a sample return, the brewer may not be in a position to calculate the average strength increase. In such a situation, the brewer may adjust the weighted average actual strength by adding thereto, the expected average increase in strength based on past experience. When the brewer ascertains the average increase in strength for the month in question, the brewer is to make the necessary adjustment on the Brewers Beer Duty Return by offsetting any overpayment of duty or paying any underpayment.

In order to ascertain the average increase in strength, the brewer should in the case of each bottling operation withdraw two bottles and retain the bottles for such period as is sufficient to allow secondary fermentation in-bottle to proceed to conclusion.

The brewer must then analyse the samples to ascertain their final alcoholic strength, which is to be taken and recorded to two decimal places.

In respect of each bottling operation, the brewer must record, in a special record to be known as the **Bottle-Conditioned Beer Strength Record**:

- the actual strength of the beer at the time of bottling, established in accordance with the procedures set out in [paragraph 1.9](#) together with the date of bottling, and the identification number of the Bright Beer Tank (or other relevant vessel) from which the beer was bottled,
- the final strength of the beer after secondary fermentation has concluded together with the date of analysis and the laboratory reference number,
- the actual increase in strength due to conditioning in bottle, accurate to two decimal places, e.g. 0.12% vol.

A separate record is to be kept in the Bottle–Conditioned Beer Strength Record for each individual beer product that is conditioned in bottle. At the end of each three-month period, the brewer must total the increase in strength column and divide this total by the total number of samples drawn and analysed for the period in question. The resulting figure is the average increase in strength, which is to be used to adjust the weighted average actual strength of the beer, for the purpose of calculating the APT due on the beer for each of the months in the period concerned.

1.10.3 Sampling of Bottled-Conditioned Beer

Regular sampling of bottled-conditioned beer should be carried out to verify the accuracy of the brewer's bottled-conditioned beer strength record. The Brewery Sampling Advice, Form Ex. No. 77, see [paragraph 1.12.2](#), which accompanies samples of bottled-conditioned beer being sent to the State Laboratory for analysis, should state the necessity to delay analysis of sample until secondary fermentation has ceased, in order that the final alcoholic strength of the beer can be ascertained.

The results of analysis from the State Laboratory should be compared with the result recorded by the brewer in the Bottle–Conditioned Beer Strength Record. Significant discrepancies between the brewers and State Laboratory's results of analysis should be investigated, i.e. 0.05% vol. or more. Where a pattern of significant differences emerges, which gives rise to a suspicion of under-declaration of strength by the brewer, the frequency of sampling and number of samples drawn from each bottling operation should be increased.

A separate record of bottle–conditioned beer samples is to be kept in the station register of samples sent for analysis, electronic or otherwise.

1.11 Beer Imported in Bulk

If it is proposed to import beer in bulk from 3rd countries or receive beer in bulk from other member states, the brewer should first consult the Revenue officer and supply details of import tanks and the procedures in place to take account of the beer on receipt into the tax warehouse.

Consignments of duty suspended beer from other E.U. member states will be moved using EMCS. Excesses and losses in such consignments must be recorded when receipting the relevant e-AD.

For further information on EMCS, officers should refer to the following:

- [Part 1 – General Warehousing Provisions](#)
- [Trader Guide for EMCS](#)

1.12 Sampling for Analysis

The main purpose of taking samples is to verify the accuracy of the Brewer's Beer Strength Record.

Before taking a sample from a BBT, or other vessel, the officer must be satisfied that the beer has been approved for packaging without any further adjustment to it. Also, the brewer should be notified and either the brewer or a representative should be in attendance when samples are being drawn.

Where samples are drawn from large vessels, the brewer or a representative should be asked to mix the beer thoroughly so that a sample representative of the whole of the beer in the vessel may be drawn.

1.12.1 Method of Sampling

The special plastic bottles provided for official beer samples are to be used at all times. These are available on requisition in the normal manner from Logistics Branch.

A powder for arresting fermentation in beer samples is available on request from the State Laboratory. One packet of this powder is to be used for each sample. After rinsing the bottle with the beer to be sampled, the powder should be placed in the bottle and the bottle filled to a point about one centimetre below the 500 ml. mark, capped with the screw-on cap, and shaken until the contents are well mixed.

Samples are to be taken in duplicate and the duplicate is to be retained until the result of analysis is received from State Laboratory. The duplicate should be stored

in a cool place, preferably in a refrigerated cabinet. In cases of doubt or difficulty three samples should be drawn, and one should be given to the brewer.

1.12.2 Labelling, Advice, and Register of Samples

The sample bottles should be labelled with the general label, Ex. No. 77–1, the Revenue officer should make the necessary arrangements to have samples conveyed to the State Laboratory.

A Brewery Sampling Advice, Form Ex. No. 77, available from Logistics Branch, must also be completed and sent to the State Laboratory in respect of each sample. The nature of the sample and the test required are to be clearly stated on the advice.

A permanent record of samples of beer, or worts, taken at breweries for analysis and the result of such analysis is to be recorded in the Samples Register, including duplicate samples sent for analysis.

1.13 Deferred Payment Guarantee

A deferred payment bank guarantee (Direct Debit Deferred Payment arrangement) is required to cover the payment of APT on:

- Beer produced by the brewer,
- Beer received from other member states,
- Beer imported from 3rd countries.

VAT is not payable on release from duty suspension of the brewer's own home manufactured products, provided no transfer of ownership has taken place before such release. For further information, please consult Revenue's leaflet on [VAT Treatment of Alcohol Products](#).

The Deferred Payment Scheme is administered by the eCustoms Accounts Unit. When a new authorisation is issued for a brewery tax warehouse, the officer should notify the eCustoms Account Unit with the details of the tax warehouse (brewery) number (IETW). This requirement is essential to facilitate the monthly interface of the Beer Duty Return (C&E 1098) to the customer's account in ITP.

1.14 Excise Reference Numbers (ERN)

Excise Reference Numbers **9820** and **9827** are specific codes allocated to identify home beer produced by the brewer when the brewer is paying the APT. These codes will also apply to the payment of APT in situations where the brewer:

- Dispatches beer in bulk to other member states under a duty suspension arrangement for packaging and subsequently receives the beer back into the State.
- Exports the beer in bulk to 3rd countries under duty suspension arrangements for packaging and subsequently re-imports the beer back into the State.

Low strength beer (beer >0.5% vol but not >1.2% vol) has been allocated ERN codes **9828** (Home) and **9128** (Imported).

ERN codes have been allocated for beer produced by microbreweries, see [paragraph 2.10.1](#).

1.15 Brewers Beer Duty Return

For home brewed beer, the brewer is required to declare the liability for beer duty each month on the Brewer's Beer Duty Return, Form C&E 1098 (Rev. 4) (sample copy available at [Appendix 2](#)).

A Form C&E 1098M must be used in respect of beer produced in a qualifying microbrewery, see [paragraph 2.10.2](#).

These returns are in a 4-part form set:

- Copy 1 & 2 of the return must be sent directly to the local Revenue Accounts Office not later than the 8th working day of the month following the month of delivery from the tax warehouse,
- Copy 3 must be sent directly to the Revenue officer, and
- Copy 4 is retained by brewery warehousekeepers for their own records.

Beer Duty Returns printed from brewers own computer system on plain paper format will also be acceptable provided it contains the required level of detail.

A 'nil' return is required where there are no releases for home consumption during the month.

Officers should also refer to [paragraph 1.17](#) on the repayment of APT on spoilt beer.

1.16 Brewers Monthly Stock Returns

Separate balanced stock accounts in accordance with paragraph 3.5 of [Part 1](#) of this manual are required for:

- Beer in the final stage of maturation, i.e. stocks held in bright beer tanks or other such vessels immediately prior to packaging, to include bulk tanker delivery,
- Packaged finished products.

1.17 Repayment of Alcohol Products Tax (APT) on Spoilt Beer

1.17.1 General

The repayment of APT on spoilt beer, which is unmarketable or unfit for human consumption, is provided for in regulations 30 and 31 of the [Alcohol Products Tax Regulations 2004](#).

Spoilt beer on which APT has been paid may be destroyed without expense to the State or re-processed in the brewery to bring it back to specification and a claim made for the repayment of APT on that beer.

In the event that the brewer is re-processing the beer, the act of depositing such beer in the fermentation or conditioning vessels for re-processing in the brewery may be deemed to be destruction for the purpose of repayment of APT.

The spoilt beer must be returned to the approved warehouse or premises of the brewer in the container in which it was delivered for consumption unless otherwise agreed and stored in the area of warehouse designated for such beer. The brewer must maintain records of such returns.

Brewer who proposes to destroy spoilt beer will be required to put in place a means of destruction acceptable to Revenue that ensures that the beer cannot be used for human consumption. The method of destruction must comply with any local authority or relevant environmental regulations in place at any particular time dealing with waste disposal.

In respect of kegged beer, the following restrictions shall apply:

- No repayment on less than 10 litres in a 50-litre keg,
- No repayment on less than 5 litres in a 20 or 30 litre keg.

1.17.2 Quantity and Strength of Beer for Repayment

The APT to be remitted or repaid is to be calculated on the basis of the quantity and strength of spoilt beer actually destroyed.

Spoilt beer on which APT is to be reclaimed must be decanted into a fixed vessel, properly gauged and tabulated, to ascertain the quantity, which is the subject of claim. When all the spoilt beer has been decanted the quantity for destruction is to be ascertained by dipping the vessel or reading the sight glass, as appropriate. Revenue may allow other quantification methods where appropriate.

In general, the declaration of strength may be accepted provided it does not exceed the usual declared Alcohol by Volume (ABV) for that product. Based on risk, beer that is the subject of a claim for remission or repayment should be tested for ABV. In the event that beer is to be tested, a representative sample should be drawn from the fixed vessel referred to above, or from the decanting keg, and sent for analysis to the State Laboratory. Where there are doubts about the bona fides of a particular strength declaration, e.g. previous results of tests were not in agreement, the level of sampling may be increased commensurate with any risks involved.

1.17.3 Destruction and Repayment Claim

Advance notice of destruction and a completed repayment claim in accordance with the requirements of regulation 31 should be lodged with the Revenue officer.

A spoilt beer claims record should be maintained and all claims for repayment should be recorded there.

Claims should be checked to ensure that all the required particulars have been furnished, and the quantity claimed for repayment is accurate.

The amount of the remission or repayment must not exceed the amount of APT charged or paid on the delivery of the beer for consumption.

Remission or repayment of APT will not be allowed on spoilt beer that consists of waste beer or bottoms, other than bottoms forming naturally in the returned beer.

1.17.4 Examination and Destruction of Spoilt Beer

The level of physical examination of spoilt beer for destruction should be commensurate with the risk involved. The Revenue officer, if not attending the destruction, should notify the brewer that the destruction can proceed.

The brewer will be responsible for maintaining records of all spoilt beer destroyed or reprocessed in the brewery, and of all repayments claimed for it.

The Revenue officer should compile a report on each remission or repayment of APT on beer returned to brewery as spoilt beer. This report should include the following:

- Local identification number of applications for destruction and repayment of APT on spoilt beer,
- Name and address of brewery where destruction took place,
- Date of application for destruction and repayment of APT on the spoilt beer,
- Details of examination if carried out. If no examination carried out, this should be stated,
- Determined quantity for destruction (HL),
- Declared Alcohol By Volume (ABV) of beer for destruction,
- Quantity upon which repayment of APT claimed (HL %),
- Details of samples taken where appropriate,
- Method of destruction,
- State laboratory sampling results and their reference number(s) where appropriate,
- Alcohol By Volume (ABV) on which repayment should be made,
- Net HL% for repayment, and rate of APT,
- APT for repayment, and details of Brewers Beer Duty Return (C&E 1098 Rev 4), on which the certified repayment is to be shown.

1.17.5 Repayment Procedure

The repayment authorisations levels as outlined in paragraph 7.3.2 of [Part 1](#) of this manual apply equally to breweries. In the event that the Revenue officer does not have authority to certify remission or repayment of the APT due on the spoilt beer, the report on the remission or repayment of APT on beer returned to brewery as spoilt beer should be submitted to the Assistant Principal or Principal Officer as appropriate for certification.

Upon certification of a claim for remission or repayment of APT, the Revenue officer should notify the brewer in writing of the particulars of each claim for remission or repayment of APT certified, and the relevant Brewers Beer Duty Return (C&E 1098 Rev 4) on which the remission or repayment is to be deducted. A brewer may deduct an amount equal to the amount certified as due for repayment resulting from the destruction of spoilt beer on which APT has been paid.

The amount certified for repayment will be deducted from the brewers total gross beer duty liability for that month. Payment of the net amount of APT payable for that month, as shown on Brewers Beer Duty Return (C&E 1098 Rev 4), will be effected in the normal way.

The brewer should enter the particulars of each such claim on a **Brewers Repayment Claim Schedule**, a sample is available at [Appendix 3](#).

The brewer should attach the repayments claim schedule to the relevant Brewers Beer Duty Return and submit to the Revenue officer for checking.

On completion of checks, the brewer should be informed that the Brewers Beer Duty Return (C&E 1098, Rev 4) can be submitted for payment, with the repayment claims schedule attached.

1.18 Losses in Stock

The APT on beer lost during production, processing or holding under duty suspension arrangements may be remitted where such loss is inherent in the nature of the product in the course of its production, processing or holding, or was due to fortuitous event or force majeure. Please also refer to paragraph 6.6 of [Part 1](#) of this manual.

1.19 Beer Consumed on the Brewery Premises

Beer consumed on the brewery premises, e.g. by guests in the “hospitality room” or by staff, is chargeable with APT, and the tax must be accounted for on the Brewer’s Beer Duty Return in the normal manner.

1.20 Gratuities

APT is payable in the normal manner on beer delivered from a brewery warehouse for free issue either to customers or to staff.

2 Microbreweries

2.1 Introduction

The procedures as set out in section 1 of this part of the manual apply equally to the administration and control of microbreweries and brew pubs. However, given that microbreweries and brew pubs by their nature are involved in small-scale production of beer, the procedures may need to be varied and modified. Any variation or modification of the procedures should be considered on a case-by-case basis provided that the applicant meets the requirements for approval and authorisation as a tax warehouse.

The term microbrewery refers to breweries that are involved in small-scale production of beer (< 50,000 hectolitres¹) and includes brewpubs. In essence, these are breweries that concentrate on the handcraft that is involved in brewing beers and developing speciality brews which are unique to their particular brewery or pub.

2.2 Bonds

Pending completion of a general review of bonds/security requirements, the existing standard bond penalty of a minimum of 10% of potential duty on stock at month end will apply, see paragraph 3.14.4 of the [Authorisation of Warehousekeepers and Approval of Tax Warehouses manual](#).

However, where an approved microbrewery is solely involved in production, storage and release for home consumption, i.e. not involved in movement of product under duty suspension arrangements to other tax warehouses either intra-State or to other EU member states, a bond may not be required where:

- (i) The bond penalty is calculated at less than €10,000, and
- (ii) Where the officer is satisfied that the warehousekeeper has a track record of compliance with Revenue requirements and there are no risks to payment of Excise Duty liability.

2.3 Review of Existing Bonds of Microbreweries

All existing bonds for microbreweries should be reviewed. Warehousekeepers who are not involved in movement of product under duty suspension arrangements and who satisfy the conditions (i) and (ii) above may have their bond requirement waived. In such circumstances arrangements should be put in place for the

¹ This is effective from 1/1/2020.

termination of such bonds in consultation with the Assistant Principal. The conditions attaching to the authorisation of the warehouse should be amended accordingly. The amended conditions should include an annual review of bond requirements.

2.4 Deferred Payment Bank Guarantee

Officers should be aware that a deferred payment bank guarantee (Direct Debit Deferred Payment arrangement) is also required to cover the payment of APT on:

- Beer produced by the brewer,
- Beer received from other member states,
- Beer imported from 3rd Countries.

See [paragraph 1.13](#) of this part of the manual.

2.5 Relief of Alcohol Products Tax (APT) on Beer Produced in Qualifying Microbreweries

2.5.1 General Provisions

[Section 78A of the Finance Act 2003](#) provides for a relief of 50% of the APT paid, at the rate applicable to beer exceeding 2.8% Alcohol By Volume (ABV), which is brewed in microbreweries / brewpubs located in both 3rd countries and member states.

2.5.2 Extent and Method of Relief

The relief is applicable to qualifying beer tax-paid on or after the 1st January 2005.

For qualifying beer released for home consumption up to 31st December 2015, relief is available by means of repayment.

Relief in respect of qualifying beer released for home consumption can be by way of repayment or remission, see paragraphs [2.9](#) and [2.10](#) respectively.

The maximum quantity of beer on which relief will be allowed for any brewery in any calendar year is 30,000 hectolitres.

Branches with responsibility for a microbrewery will be required to have sufficient controls and check systems in place, to ensure that:

- Quantities produced do not exceed the 50,000 hectolitres² threshold, and

- Quantities claimed at the reduced rate correspond with the amount released to home consumption.

2.5.3 Qualifying Criteria

To qualify for the relief the brewery must be:

- (i) Legally and economically independent (within the meaning of [Section 78A of the Finance Act 2003](#)) of any other brewery,

- (ii) Situated physically apart from any other brewery,

and in the last calendar year:

- (iii) The quantity of beer brewed in the brewery, including beer brewed for export, for consumption and under licence or contract arrangement for another brewery, must not have exceeded 50,000 hectolitres³, and
- (iv) The quantity of beer brewed in the brewery, under a licence, franchise or contract arrangement for another brewery must have been less than 50% of that brewed.

2.5.4 Ownership of Two or More Breweries

A brewery is not legally and economically independent of another brewery where such breweries are directly or indirectly owned or partly owned:

- (i) By the same person, or
- (ii) By associated companies within the meaning of [section 432](#) of the Taxes Consolidation Act 1997 or by legal entities corresponding to such associated companies.

However, where a person directly or indirectly owns two or more microbreweries and the combined total quantity of the beer brewed in those breweries in the previous calendar year has not exceeded 50,000 hectolitres⁴, the breweries may be treated as a single brewery which is legally and economically independent of any other brewery.

² This is effective from 1/1/2020.

³ This is effective from 1/1/2020.

⁴ This is effective from 1/1/2020.

2.5.5 Beer Ineligible for Relief

In general, beer brewed under a licence, franchise or contract arrangement for another brewery is not eligible for the relief. However, such beer is reckonable in the calculation of the annual production quantity of the brewery.

Notwithstanding this, where beer is brewed in a brewery under a licence, franchise, contract or other co-operation arrangement with one or more other breweries and where:

- Such brewery and each of the breweries with which it has such an arrangement satisfy the criteria in relation to:
 - (i) quantity of beer brewed in previous calendar year,
 - (ii) being legally and economically independent of other breweries,
 - (iii) premises situated physically apart from any other brewery, and
- The combined total quantity of the beer brewed in the previous calendar year in such brewery, and the breweries with which it has such an arrangement, has not exceeded 100,000 hectolitres⁵.

Then the provisions in relation to the quantity of beer brewed in the brewery, under a licence, franchise or contract arrangement for another brewery being less than 50% of that brewed do not apply, and such beer qualifies for the relief of 50% of the APT paid, at the rate applicable to beer exceeding 2.8% Alcohol By Volume (ABV), which is brewed in a microbrewery.

2.5.6 Eligibility Criteria for Microbrewery

The eligibility criteria for relief are based on the brewery production levels in the calendar year prior to the year of the claim period.

Brewers who qualify for the relief must complete [Form APT3](#). This form should be completed once a year by the brewer (normally in January), as follows:

- The form, must be completed in full, and signed by the brewer,
- The brewer must make the appropriate declaration pertaining to the circumstances under which certification of eligibility is sought,
- The brewer must forward the signed form to the Revenue officer for certification of eligibility. This certification will cover entitlement to repayment or remission of 50% of the APT to be paid,

⁵ This is effective from 1/1/2020.

- The Revenue officer, when satisfied, should certify the Form APT3 and forward a copy to the brewer to be retained by them for audit purposes.

The Revenue officer must not process a claim for repayment of APT or allow any remission of APT in respect of a microbrewery, until a completed Form APT3 for that brewer has been received and certified.

Other procedures apply when consigning microbrewery beer outside of the State, see [Public Notice 1888](#) for further guidance.

2.6 Movements of Qualifying Beer under Duty Suspension Within the State

A Form C&E 1116 must be used for movements of qualifying beer under duty suspension between tax warehouses in the State, see Appendix 10 of [Part 1](#) of this manual.

No other alcohol products are to be included on the form.

Where the beer is consigned by the brewer, the control document must be endorsed with the following declaration:

'It is hereby certified that the beer described in this form has been produced in an independent microbrewery and is eligible for relief under section 78A of the Finance Act 2003. A completed and certified form APT3 for last year has been forwarded to the Revenue officer with responsibility for the microbrewery.'

The control document, C&E 1116 (three-part set), should be dealt with as follows:

- Copy 1 – should be retained by the dispatching brewery warehousekeeper,
- Copies 2 & 3 – should accompany the goods during transit,
- Copy 2 – should be retained by the consignee warehousekeeper,
- Certified Copy 3 – should be returned to the dispatching brewery warehousekeeper as a certificate of receipt.

Evidence of completion of the delivery is provided by the return of copy 3 to the consignor. This should be checked by the brewer for agreement with delivery advices.

In the event that the beer is subsequently dispatched to another tax warehouse in the State under duty suspension arrangements, the original copy 2 of control document C & E 1116 must accompany such dispatch.

Officers should also refer to section 4 of [Part 1](#) of this manual.

2.7 Receipt of Qualifying Beer from other Member States

The following procedures apply to the receipt of qualifying beer that is produced and imported from other member states.

2.7.1 Certification of Eligibility for Beer Produced in other Member States

Where a qualifying microbrewery is located in another EU state, member states may adopt either the certification or self-certification approach and destination member states, i.e. member states of consumption, must recognise the approach adopted in the issuing member state, i.e. member state of production, in respect of consignments arriving into their territory.

The information required for Revenue to check that the producer qualifies as a small independent brewery will be on the administrative document, e.g. e-AD if it is a duty suspended movement or SAD if it is a duty paid movement. This is detailed further below.

Microbrewery relief will not be granted to an authorised warehousekeeper, importer or registered consignee unless the relevant information is included in the administrative document.

2.7.2 Duty-Suspended Qualifying Beer from other Member States

If the issuing member state applies the certification approach:

Where qualifying beer produced in another EU member state is consigned into the State under duty suspension and the issuing member state applies the **certification** approach, (as laid down in [Commission Implementing Regulation \(EU\) 2021/2266](#)) the relevant information will be contained in the **electronic administrative document (e-AD)** in the following boxes:

Box 17l - a declaration that the beer has been produced by a certified independent small brewery stating '*The product described has been produced by a certified independent small brewery*'.

Box 18e - the document type which will be "a certificate".

Box 18f - the serial number of the certificate.

Box 17n of the electronic administrative document may include the annual production of the certified producer although this is not a mandatory requirement. The completion of box 17n is only mandatory when self-certification is applicable.

Where box 17n does not contain the annual production and the control officer suspects the producer may have exceeded the production threshold, they can request a copy of the certificate using the relevant serial number listed in **box 18f**.

If the Issuing Member State applies the Self-Certification approach:

Where qualifying beer produced in another EU member state is consigned into the State under duty suspension and the issuing member state applies the **self-certification** approach (as laid down in [Commission Implementing Regulation \(EU\) 2021/2266](#)) the relevant information will be contained in the **electronic administrative document (e-AD)** in the following boxes:

Box 17l - a declaration certifying that the beer has been produced by an independent small brewery, stating *"It is hereby certified that the product described has been produced by an independent small brewery"*,

and,

the VAT or SEED number of the producer if the consignor is not the producer. The VAT number shall be indicated only when the independent small producer does not have a SEED number.

Box 17n - the annual production of beer in hectolitres of the small independent producer.

2.7.3 Duty-Paid Qualifying Beer from other Member States

If the Issuing Member State applies the Certification Approach

Where qualifying beer produced in another EU member state is consigned into the State duty paid and the issuing member state applies the **certification** approach (as laid down in [Commission Implementing Regulation \(EU\) 2021/2266](#)), the relevant information will be contained in the **simplified accompanying document (SAD)** in the following box:

Box 14:

- the serial number of the certificate, and
- the term "Certificate of independent small brewery".
- In cases where the movement of goods includes different alcoholic beverages and it is intended to apply the reduced excise duty only to certain beverages (e.g. beer), the commercial description of the alcoholic beverages produced by the independent small producer shall be indicated in **box 14** of the **simplified accompanying document (SAD)**.

Where the control officer suspects the producer may have exceeded the production threshold, they can request a copy of the certificate using the relevant serial number listed in **box 14**.

If the Issuing Member State applies the Self Certification approach:

Where qualifying beer produced in another EU member state is consigned into the State duty paid and the issuing member state applies the **self certification** approach (as laid down in [Commission Implementing Regulation \(EU\) 2021/2266](#)), the relevant information will be contained in the **simplified accompanying document (SAD)** in the following box:

Box 14:

- the status of the independent small producer in the following terms: *"It is hereby certified that the product described has been produced by an independent small brewery."*
- the total annual production in hectolitres
- the SEED or VAT number of the self-certified independent small brewery, when the consignor of the beer is not the producer. The VAT number shall be indicated only when the independent small producer does not have a SEED number.
- the commercial description of the alcoholic beverages produced by the independent small producer where the movement of goods includes different alcoholic beverages and it is intended to apply reduced excise duty only to certain beverages, e.g. beer.

2.8 Import of Qualifying Beer from 3rd Countries

The following procedures apply to qualifying beer that is produced and imported from 3rd countries.

Where a tax warehousekeeper imports into the State, under a duty suspension arrangement, qualifying beer that has been produced in a 3rd country, the consignment must be accompanied by a declaration that is endorsed by the fiscal authority of the country of dispatch stating:

'It is hereby certified that the beer (description of beer) has been produced in an independent microbrewery and is eligible for relief under section 78A of the Finance Act 2003.'

This beer is reckonable in the calculation of the annual production of the importing microbrewery.

2.9 Repayment Procedures

A repayment of APT is payable to the person who has paid the tax on the beer. This will normally be the brewery warehousekeeper or the importer, but it could also be a person who received the beer under duty suspension.

2.9.1 Claim Form

[Form APT4](#) must be used for all claims in respect of repayment of APT on qualifying beer.

A separate claim form must be used in respect of each microbrewery in which beer qualifying for the relief is produced.

Repayment claims will be processed by the relevant Revenue Division.

The claim form must be completed in full, signed by the claimant, and sent to the relevant Revenue Division.

Incomplete or unsigned forms will not be processed and will be returned to claimants for completion.

2.9.2 Claim Period and Time Limits

The applicant must make claims on a quarterly basis beginning in January, then April, July, and October, as appropriate. Where a deferred payment arrangement is in place, APT paid in, for example, the period January, February and March will be in respect of APT liability for the months December, January and February.

Repayment claims must be forwarded by the applicant within 6 months following the end of each claim period. Claims lodged outside the prescribed time limit may not be paid except in exceptional circumstances.

2.9.3 Processing Repayment Claims

On receipt of [Form APT4](#), the Revenue officer must:

- Ensure that the claim is properly completed and signed,
- Check the accuracy of the payment documents listed on the claim,

- Check that a certified [Form APT3](#) has been received for the production microbrewery listed on the claim,
- Verify that the amount of the repayment claim is correct,

2.10 Remission Procedures

Qualifying microbreweries can claim relief of APT on qualifying beer released to home consumption by way of remission.

2.10.1 Excise Reference Numbers (ERN)

ERN codes have been introduced to facilitate the processing of payments of APT by qualifying microbreweries. These are:

- ERN 9620 - qualifying beer produced in the State exceeding 2.8% abv on which the tax is paid by the producer,
- ERN 9621 - qualifying beer produced in the State exceeding 2.8% abv on which the tax is paid by a person other than the producer,
- ERN 9421 – imports of qualifying beer exceeding 2.8% abv.

2.10.2 Microbrewery Beer Duty Return

The brewer is required to declare the liability for beer duty each month on the Microbrewery Beer Duty Return, see [Appendix 2A](#) for a sample Form C&E 1098M.

The relief of 50% of APT can be declared on the return, provided the brewer has submitted an APT3 form certified by the Revenue officer with responsibility for the brewery, see [paragraph 2.5.6](#).

2.10.3 Payment of APT by Persons other than the Producer

Where qualifying beer is consigned by a microbrewery under duty suspension arrangements to another tax warehouse within the State, the control document (C&E 1116) must include the declaration from the consigning microbrewery that the beer qualifies for the relief under section 78A of the Finance Act 2003, see [paragraph 2.6](#).

The reduced rate of APT on qualifying beer may be applied on release for Home Consumption (C&E 1115).

2.10.4 Payment of APT on Beer Produced in other Member States

For the relief to be applied to imports of beer from qualifying microbreweries in other member states, certification or self-certification information will be required by the Revenue branch with responsibility for the import. This is detailed in [paragraph 2.7](#) above and further information can be found in [Public Notice 1888](#).

2.10.5 Payment of APT on Beer produced in Third Countries

For the relief to be applied to imports of qualifying beer from 3rd countries, the beer must be accompanied by a declaration from the consignor that is endorsed by the fiscal authority of the country of dispatch, stating:

'It is hereby certified that the beer (description) has been produced in an independent microbrewery and is eligible for relief under section 78A of the Finance Act 2003.'

In the absence of a written declaration, no relief is available and the full rate of APT should be applied.

2.11 Repayment of Duty in Respect of Spoilt Beer

2.11.1 Spoilt beer Produced and Tax-Paid in Qualifying Microbreweries in the State

Repayment of all APT paid on spoilt beer from a microbrewery tax warehouse, under section 78(2) of the Finance Act 2003, can be claimed on Form C&E 1098M (see [Appendix 2A](#)). The repayment under section 78A of the Finance Act 2003 will be on the net amount of APT paid on beer eligible for repayment.

Full procedures relating to spoilt beer are outlined in [paragraph 1.17](#).

2.11.2 Spoilt Beer Tax-Paid other than in a Microbrewery Tax Warehouse

Where relief from APT is claimed under section 78(2) Finance Act 2003 on spoilt beer produced in a microbrewery and APT paid on Form C&E 1087 or C&E 1115, see Appendix 5 of [Part 1](#) of this manual, the claims are to be in respect of 50% of the tax paid if the relief provided for under section 78A has already been claimed.

2.12 Maintenance of Records for Audit

As a proportion of repayment claims may be subject to a Revenue audit, the Revenue officer should ensure that the following records are maintained for a period of 6 years, by persons claiming relief on qualifying beer:

- Proof of APT payment on the beer in the State, i.e. details of serial number and date of payment documents, C. & E. 1098M,
- The total quantity of beer produced in the brewery in each calendar year,
- The total quantity of beer brewed under a licence, franchise or contract arrangement for another brewery in each calendar year,
- The quantity of beer delivered under duty suspension arrangements:
 - to other tax warehouses in the State,
 - to other EU Member States,
 - to countries outside the European Union, and
- Certified APT3 form(s).

Officers should also refer to paragraph 3.2.5 of [Part 1](#) of this manual in relation to the maintenance of records by warehousekeepers.

2.13 Beer produced in Irish Breweries and Consigned to other Countries

Beer produced in Irish microbreweries and consigned to other countries may be eligible for relief or reduced rates offered in those countries

Under Article 4(2) of [Council Directive 92/83/EEC](#), member states may allow two or more small cooperating breweries whose combined annual production does not exceed 200,000 hectolitres to be treated as a single independent brewery. This practice is allowed in Ireland providing applicable criteria are met and is covered in Irish legislation by section 78A (3)(b) of Finance Act 2003 (as amended). In Ireland, combined annual production must not exceed 100,000 hectolitres.

A judgment in the joined CJEU cases [C-221/20 and C-223/20](#) was announced on 28th October 2021. It confirms that Article 4(2) of Council Directive 92/83/EEC provides member states an option, not an obligation, to treat cooperating breweries as a single independent brewery.

If consigning microbrewery beer to other member states, be aware that some member states do not allow this type of cooperation. You may be in a cooperation arrangement and treated as a single independent brewery in Ireland but be ineligible

for reduced rates of excise duty in some member states. It is important to be aware of your obligations to individual member states when consigning microbrewery beer.

Enquiries relating to any reliefs available should be made directly with the tax authorities of the country to which the beer is being exported.

From 1st January 2022, new methods for certifying independent small alcohol producers apply to all consignments of “qualifying” alcohol products to and from member states.

Therefore, where independent small Irish breweries are consigning beer to other member states to avail of reduced rates in those member states, and they comply with the criteria set in that destination member state, they must declare their status as an independent small brewery and their annual production. These declarations must be made in the administrative documents accompanying the consignments, e.g. the electronic administrative document (within the meaning of Chapter 2A of Part 2 of the Finance Act 2001) for duty suspended movements or the simplified accompanying document (within the meaning of Part 2 of the Finance Act 2001) for duty paid movements.

In particular, the Irish brewery warehousekeepers or consignors must make the following declarations in the administrative documents:

Duty Suspended Consignments

For the movement of goods under Chapter IV of [Council Directive 2008/118/EC](#), the status of the independent small breweries shall be declared in **Box 17l** of the **administrative document (e-AD)**, as set out in Table 1 of Annex I to [Commission Regulation \(EC\) No 684/2009](#), in the following terms:

“It is hereby certified that the product described has been produced by an independent small brewery.”

The annual production of beer of the brewery shall be declared in **Box 17n** of the **administrative document (e-AD)**, as set out in Table 1 of Annex I to [Commission Regulation \(EC\) No 684/2009](#). The quantity shall be indicated in hectolitres.

When the consignor of the beer is not the self-certified independent small brewery, the number in the system for exchange of excise data referred to in Article 19(1) of Council Regulation (EU) No 389/2012⁶ (‘SEED number’) or Value Added Tax number (‘VAT number’) of the brewery shall also be declared in **Box 17l**.

The SEED number shall be the excise related authorisation number granted by the competent authorities referred to in Article 19(1) of Regulation (EU) No 389/2012. The VAT number, as referred to in Article 214 of Council Directive 2006/112/EC⁷,

⁶ [Council Regulation \(EU\) No 389/2012](#) of 2 May 2012 on administrative cooperation in the field of excise duties and repealing Regulation (EC) No 2073/2004 (OJ L 121, 8.5.2012, p. 1).

shall be indicated only when the independent small brewery does not have a SEED number.

Duty Paid Consignments

For the movement of goods under Chapter V of [Council Directive 2008/118/EC](#), the following information shall be declared in **Box 14** of the **simplified accompanying document (SAD)**, as set out in Regulation (EEC) No 3649/92:

- the status of the independent small brewery in the following terms:
"It is hereby certified that the product described has been produced by an independent small brewery."
- the total annual production of beer in hectolitres.
- the SEED or VAT number of the self-certified independent small brewery, when the consignor of the beer is not the producer. The VAT number, as referred to in Article 214 of Council Directive 2006/112/EC, shall be indicated only when the independent small brewery does not have a SEED number.
- the commercial description of the alcoholic beverages produced by the independent small producer where the movement of goods includes different alcoholic beverages and it is intended to apply reduced excise duty only to the beer.

⁷ [Council Directive 2006/112/EC](#) of 28 November 2006 on the common system of value added tax (OJ 347, 11.12.2006, p. 1).

3 Cider Manufacturers

3.1 Introduction

This section of the manual provides operational guidelines for the information of staff with responsibility for the administration and control of traders involved in the production of cider under duty suspension in a manufacturing tax warehouse (see also section 5, of [Part 1](#) of this manual).

The production, processing and holding of cider on which APT has not been paid must take place in a tax warehouse.

For information on procedures for the approval of persons as warehousekeepers, and premises as tax warehouses, please refer to Revenue's manual on the [Authorisation of Warehousekeepers and Approval of Tax Warehouses](#).

3.2 Legislation & Public Notices

3.2.1 EU General Excise Law

The EU law concerning the general arrangements for Excise Duty is set down in [Council Directive 2008/118/EC](#) of 16 December 2008 (The Directive), which repealed [Council Directive 92/12/EEC](#). In addition to the provisions for chargeability, liability, certain reliefs, and production, processing and holding, the Directive covers the arrangements for the movement of excisable products within the European Union.

3.2.2 National Law

The national provisions for the general arrangements for excise duties are in [Part 2 of the Finance Act 2001](#), which has been substantially amended by the Finance Act 2010 to take account of the new Directive. All references in this manual to sections are, unless otherwise stated, to sections of that Part.

Section 108A covers production, processing and holding in a tax warehouse, and section 109 provides for the authorisation of warehousekeepers and the approval of tax warehouses. In addition, the [Alcohol Products Tax Regulations 2004](#) set down requirements and procedures in the tax warehouse.

[Part 2 of Finance Act 2003](#), as amended, provides for the liability and payment of APT, including relief from APT for spoilt alcohol products.

3.3 Public Notices

The following Public Notices should be read in conjunction with this manual:

- [Public Notice 1877](#): Excise: Revenue's Guide for Tax Warehousekeepers;
- [Public Notice 1890](#): Excise: Authorisation of Warehousekeepers and the Approval of Tax Warehouses;
- [Public Notice 1886](#): Alcohol Products Tax.

3.4 Excise Licence

Any producer of cider for commercial purposes will require a manufacturer's excise licence. This licence authorises wholesale dealing in specified quantities from the premises in which the product is manufactured. The licence is issued by the National Excise Licence Office (NELO), Waterford.

For further information on excise licences, officers should refer to Revenue's [Guide to Excise Licences](#).

3.5 Reliefs

Section 77 (f) of the Finance Act 2003 makes provision for relief from APT on cider, the alcoholic content of which is entirely of fermented origin, and which has been produced solely by a private individual in a private premises for consumption by the producer or by the family or guests of such producer, and not to have been produced or supplied for consideration.

3.6 Definition of Cider and Perry

Beverages must conform to the legal definition of "cider and perry" as defined in Section 73(1) Finance Act 2003, as amended, in order to be included in the "cider and perry" excise category. Cider and perry with the addition of apple or pear juice, or apple or pear flavouring will still retain the excise classification of cider and perry, as these additions do not significantly alter the character of the basic products. However, the addition of other fruit juices or flavours does alter the character of the basic products, resulting in classification of such products in the 'Other than Cider and Perry' category.

3.7 Overview of the Cider Making Process

Cider and perry are made from apples and pears and both are produced in the same way. The apples or pears are crushed or milled to extract the juice. The juice is placed in a fermenting vessel together with yeast, if required, and left to ferment. When fermentation is complete the cider can be “racked off” (drawn off). The racked cider may be clarified and filtered before or after a period of maturation. During the racking and/or filtration process, “lees” will be drawn off the product. Lees are impurities or sediment and will be seen as an allowable loss on the production records/bulk stock reports. Some manufacturers can “recover” lees for re-use in the production process.

Following maturation, the cider is normally stored in bulk, awaiting bottling or packaging. At this stage the percentage Alcohol By Volume (ABV) of the product may be higher than the required strength and will be adjusted before bottling or packaging commences.

In general, the level of the allowable losses will be the industry norm of not greater than 3%. Some variation depending on the scale of production, or method used may be allowed, see also paragraph 6.6. of [Part 1](#) of this manual.

3.8 Application For Approval

The approval of a cider manufacturing tax warehouse is dealt with under section 109 of the Finance Act 2001 as a manufacturing tax warehouse. The procedures for approval as outlined in section 3 of the [Authorisation of Warehousekeepers and the Approval of Tax Warehouses Manual](#) should be followed.

Officers should pay particular attention to paragraph 3.14 of the above manual which provides guidelines on financial security/bonds required to secure the excise duty at risk in approved tax warehouses. Pending completion of a general review of bonds/security requirements, the calculation model set out in paragraph 3.14.4 should be used when calculating bonds for cider manufacturing tax warehouses.

3.9 Ascertainment of Quantity for Duty Purposes

The warehousekeeper must ensure the vessels in which the cider is made or stored are in a place convenient for examination and with safe means of access so as to allow the contents to be accurately ascertained by gauge or measure. The duty is to be accounted for on the actual quantity of cider in each container as it passes the duty point, i.e. when it leaves duty suspension, also referred to as “out-the gate”. This normally occurs when the product is moved from the duty suspension area of the warehouse either for delivery or transfer to a duty paid storage area.

However, some producers may use the “average system” for ascertaining the quantity of cider for duty purposes. Under this system, the average contents of packages must not be less than the declared contents, i.e. that marked on the label attached to the bottle or can, or in the case of kegs, that shown on the invoice or delivery document. Cider manufacturers, (as packers), using the average system of quantity control, are obliged to monitor and record the actual quantity of beer in a percentage of packages to ensure they comply with their obligations under [the Packaged Goods \(Quantity Control\) Act, 1980](#). [The National Standards Authority of Ireland](#) is the statutory body responsible for the regulation of packers concerning the quantities contained in pre-packaged goods.

Where the monitoring indicates that during an APT accounting period the weighted average overfill for any cider product is 1% or more in excess of the quantity shown on the label attached to the can or bottle, or invoice or delivery documents in respect of kegs, the cider manufacturer is required to declare and pay APT on the additional quantity, i.e. on the difference between the quantity shown on the labels or invoices /delivery documents and the quantity actually packaged as recorded in the monitoring records.

3.10 Methods of Determining Alcoholic Strength

The methods that are acceptable for the determination of the strength of the alcohol are outlined in regulation 15 of the [Alcohol Products Tax Regulations 2004](#). The regulations also provide for the use of alternative methods in certain circumstances.

If the warehousekeeper intends to use an alternative method to determine the alcohol strength, application should be made to the Revenue officer with full details to include technical specifications of the method to be used. In any such cases the Revenue officer should consult with the State Laboratory.

3.11 Sampling

The warehousekeeper is responsible for monitoring and recording the strength and volume of alcohol throughout the production or processing operation, and for the measurement of strength and liquid content of bottled product. Occasional checks should be imposed by the Revenue officer to verify the measurements being recorded by the warehousekeeper. The frequency and extent of these measurement tests is a matter for local management but should provide assurance in relation to the records being maintained by the warehousekeeper. The level of

testing should be determined by the degree of agreement between the warehousekeeper's and the officer's test results.

3.12 Deferred Payment Bank Guarantee

Cider producers who are authorised and approved as warehousekeepers must put in place a deferred payment (Bank Direct Debit Scheme) sufficient to cover the Excise Duty liabilities for the month and ensure the conditions of that scheme are fully complied with. The scheme is administered by [Revenue's AEP Bureau](#), Nenagh, Co Tipperary.

3.13 Payment of Alcohol Products Tax

The warehousekeeper will be required to keep a daily record of product released for home consumption and complete the Home Consumption Warrant, C&E 1115, see Appendix 5 of [Part 1](#) for a sample warrant, with the total quantities delivered in the month. The warehousekeeper should lodge copies 1 & 2 of the Home Consumption Warrant to the Divisional Accounts Office not later than noon of the eighth working day of the month following that in which the product was released or became chargeable with duty. Copy 3 should be retained by the warehousekeeper.

3.14 Stock Accounts

The warehousekeeper must keep a stock account of all cider produced in, received into, held and delivered from the tax warehouse. The stock account must be kept in respect of each category of cider product, and show the date of production, date of deliveries and date of any receipts. An entry to the stock account must be made not later than noon on the next working day following that on which production, receipt and delivery of cider products occurred.

3.15 Monthly Stock Returns

The warehousekeeper must in respect of each calendar month and by the tenth working day of the following month, furnish to the Revenue officer a return in the form of a balanced stock account of all the cider produced in, received into and delivered, or otherwise disposed of, from the tax warehouse, during the period. Separate balanced stock accounts will be required in respect of bulk cider and in respect of each packaged cider product held in the tax warehouse. The Revenue

officer should carry out regular checks of the manufacturer's stock accounts to verify the accuracy of the particulars on the stock return.

3.16 Report on Operations

The warehousekeeper must keep accounts of the quantities of all materials used in the production of the cider. At the end of each month, the cider manufacturer must prepare and furnish a report in a format to be agreed with the Revenue officer, detailing all operations in warehouse throughout the month. The report should contain details of the quantities of all materials used in the production of the cider, and details of losses incurred during the month.

3.17 Remission of Alcohol Products Tax (APT) on Spoilt Cider

The repayment of APT on spoilt cider, which is unmarketable or unfit for human consumption, is provided for in regulations 30 and 31 of the [Alcohol Products Tax Regulations 2004](#). Spoilt cider on which APT has been paid may be destroyed without expense to the State, and a claim made for the repayment of the APT on that cider. Remission or repayment of APT will not be allowed on spoilt cider that consists of waste cider or bottoms other than bottoms forming naturally in the returned cider.

A manufacturer who proposes to destroy spoilt cider will be required to put in place a means of destruction acceptable to Revenue that ensures that the cider cannot be used for human consumption. The method of destruction must comply with any relevant environmental regulations in place at any particular time dealing with waste disposal.

3.17.1 Destruction Procedures for Spoilt Cider

An area of the warehouse should be designated for returned duty-paid spoilt cider. The returned kegs of cider should be decanted into a designated vessel properly gauged and tabulated, and the Alcohol By Volume (ABV) taken and details entered in the spoilt cider record. The frequency of destructions will vary depending on the size of the operation.

The warehousekeeper will also be required to have procedures and a clear audit trail in place to deal with returned packaged cider on which duty has been paid.

Advance notice requesting permission to destroy spoilt cider should be made to the Revenue officer and this request should include a listing of the spoilt products, i.e. description/quantity/volume.

The level of physical examination of spoilt cider for destruction and the scale of sampling should be commensurate with the risk involved.

3.17.2 Claims for Repayment

Claims for remission of duty on spoilt cider should be submitted by the warehousekeeper and include:

- (i) Vessel number,
- (ii) Volume,
- (iii) List of customers including their order numbers and volume returned from each,
- (iv) Evidence of duty paid,
- (v) APT calculation,
- (vi) Signed statement that the product is unfit for human consumption.

In respect of kegged cider the following minimum limits shall apply before any claim for repayment for spoilt cider can be considered:

- 10 litres per 50 litre keg
- 5 litres per 25/30 litre kegs

The Revenue officer should check the claim against the trader's records and ensure a complete audit trail that confirms (i) that the cider was duty-paid, and (ii) has been destroyed. The destruction of cider should be supervised by the warehousekeeper or a responsible representative of the warehousekeeper.

The officer should compile a report on each claim for remission of APT, record the details of the claim on the traders file, and have the claim certified by the appropriate officer. When the claim is approved the Revenue officer will notify the warehousekeeper who will make the appropriate adjustment to the monthly stock return.

The repayment authorisations levels as outlined in paragraph 7.3.2 in [Part 1](#) of this manual apply equally to cider manufacturers and spoilt cider claims. In the event that the Revenue officer does not have authority to certify the claim it should be submitted to the Assistant Principal or Principal Officer as appropriate for certification.

The quantity of returned spoilt product, which has been approved for destruction and on which a remission of duty is approved, is recorded in the "stock adjustment"

column in the monthly cider stock return, which will be reflected in the warrant figures at month end.

3.18 Cider Consumed on the Manufacturer's Premises

Cider consumed on the manufacturer's premises (e.g. by guests in the "hospitality room" or by staff) is chargeable with APT and the tax must be accounted for on the C & E 1115 (see Appendix 5 of Part 1) in the normal manner.

3.19 Gratuities

APT is payable in the normal manner on cider delivered from a manufacturer's warehouse for free issue either to customers or to staff.

3.20 Revenue Controls

The General Warehousing Provisions for tax warehouses as set out in sections 3, 4 and 5 of [Part 1](#) of this manual, as well as provisions relating to breweries set out in section 1 apply, mutatis mutandis, to cider manufacturing tax warehouses.

List of Appendices

[Appendix 1](#) - Sample Beer Strength Record

[Appendix 2](#) - Brewer's Beer Duty Return

[Appendix 2A](#) - Microbreweries Beer Duty Return

[Appendix 3](#) - Brewer's Repayment Claim Schedule

A more recent version of this manual is available.

Appendix 1 – Sample Beer Strength Record

Sample Beer Strength Record

Beer Product Description:					Month: July 2013	
Date	B.B.T.	Packaged		% Vol Strength	Hectolitres%	Comments
		No. of Kegs	Qty (HL)			
1/7/13	2	246	123.00	4.17	512.91	
1/7/13	1	277	138.50	4.09	566.46	
2/7/13	2	392	196.00	4.23	829.08	
.	
31/7/13	3	233	116.50	4.15	483.47	
Totals		1,148	574.00		2,391.92	

$$\begin{aligned}
 \text{Weighted Average Actual Strength} &= \frac{\text{Total Hectolitre \%}}{\text{Total Bulk Quantity (HL)}} \\
 &= \frac{2,391.92}{574.00} \\
 &= 4.1\%
 \end{aligned}$$

Appendix 2 – Sample Brewer's Beer Duty Return

BREWER'S BEER DUTY RETURN

C&E 1098 (Rev. 4)

Name and Address of Person Paying Tax		No. and Date (for official use):	
		Warehouse Name	IETW No. IEWK No.
Month	Year	Payer Revenue Number	Tax Type C&E

EXCISE HOME	QUANTITY (HL%)	RATE OF TAX	TAX PAYABLE (€)
DELIVERED FOR HOME CONSUMPTION (1)			
LESS REPAYMENTS ALLOWED (2)			
NET PAYABLE (ERN 9820) (Beer exceeding 2.8% ABV)			

*TOTAL VAT €

* if applicable

EXCISE HOME	QUANTITY (HL%)	RATE OF TAX	TAX PAYABLE (€)
DELIVERED FOR HOME CONSUMPTION (1)			
LESS REPAYMENTS ALLOWED (2)			
NET PAYABLE (ERN 9827) (Beer ex 1.2% but not ex 2.8% ABV)			

*TOTAL VAT €

* if applicable

TOTAL AMOUNT FOR DIRECT DEBIT	€
-------------------------------	---

I _____, declare that the particulars herein and on the attached schedules are true and complete and that the above amount will be paid by direct debit under the Revenue number shown herein.

Signature _____ Date _____

Designation of Signatory _____ Phone Number _____

- (1) The quantity to be entered here is the quantity delivered from warehouse for home consumption, including any beer consumed on the brewery premises, plus any additions for previous under declarations
- (2) Only repayments that have been authorised by the Revenue official can be deducted here.

Appendix 2A – Sample Microbrewery Beer Duty Return

MICROBREWERY - BEER DUTY RETURN**C&E 1098 M**

Name and Address of Person Paying Tax		No. and Date (for official use):	
		Warehouse Name	IETW No. IEWK No.
Month	Year	Payer Revenue Number	Tax Type C&E

EXCISE HOME	QUANTITY (HL%)	RELIEF RATE OF TAX	TAX PAYABLE (€)
DELIVERED FOR HOME CONSUMPTION (1)			
LESS REPAYMENTS ALLOWED (2)			
NET PAYABLE (ERN 9620) (Beer exceeding 2.8% abv)			

*TOTAL VAT €

*If applicable

TOTAL AMOUNT FOR DIRECT DEBIT	€
-------------------------------	---

I _____, declare that the particulars herein and on the attached schedules are true and complete and that the above amount will be paid by direct debit under the Revenue number shown herein.

Signature _____ Date _____

Designation of Signatory _____ Phone Number _____

- (1) The quantity to be entered here is the quantity delivered from warehouse for home consumption, including any beer consumed on the brewery premises, plus any additions for previous under declarations.
- (2) Only repayments that have been authorised by the Revenue official can be deducted here.

Appendix 3 – Sample Brewer's Repayment Claims Schedule

BREWER'S REPAYMENT CLAIMS SCHEDULE**C&E 1099**

Warehousekeeper's Name & Address:	Month:	Year:	
	Warehouse Name	IETW No.	IEWK No.
	Payer Revenue Number		Tax Type C&E

Claim No.	Nature of Claim	Repayment Amount (€)			
		Excise Import		Excise Home	
TOTAL EXCISE DUTY REPAYABLE			€	:	

I, _____ declare that the particulars herein are true and complete.

(Full name in BLOCK capitals)

Signature _____ Date _____

Designation of signatory _____

For Official
Use

Warehouse Officer _____ Date _____

Assistant Principal _____ Date _____

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