



Legislative Instrument

Excise (Spirit blending exemptions) Determination 2020 (No.1)

I, Louise Clarke, Deputy Commissioner of Taxation, Policy, Analysis and Legislation, make this determination under subsection 77FM(3) of the *Excise Act 1901* (Excise Act).

Louise Clarke

Deputy Commissioner of Taxation

Dated: 6 August 2020

1. Name of instrument

This legislative instrument is the *Excise (Spirit blending exemptions) Determination 2020 (No.1)*.

2. Commencement

This instrument commences on the day after it is registered on the Federal Register of Legislation.

3. Application

This instrument applies to circumstances that occur on or after the date of commencement.

4. Determination

Under subsection 77FM(3) of the Excise Act, the CEO may determine specific circumstances where the blending of spirit to produce spirit is not taken to constitute the manufacture of that spirit under the Excise Act.

By setting out in this determination the circumstances in which spirit blending to produce spirit is not considered the manufacture of that spirit for excise purposes, this ensures such spirit blending will not fall into the excise system and its regulatory requirements.

Blending circumstances

Spirit blending to produce spirit is taken not to constitute the manufacture of a spirit described by item 3 of the Schedule in the following circumstances:

- (a) the incidental blending that occurs where spirit, whether previously entered for home consumption or not, is placed in a vessel or container with remnants of a spirit or another substance.
- (b) the blending of spirit that has been previously entered for home consumption under subitems 3.5, 3.6 and 3.7 of the Schedule with like spirit also previously entered for home consumption under the same tariff subitem, or another substance, by a person

who has approval under the Excise Act to use that spirit and the blending occurs as an incident of employing the spirit in a manner commensurate with the tariff subitem.

- (c) the blending of denatured spirit that has been previously entered for home consumption under subitem 3.8 of the Schedule with denatured spirit also previously entered for home consumption under the same tariff subitem or another substance (other than goods classified to items 1, 2 or 3 of the Schedule) except in order to produce a beverage.
- (d) the blending of spirit that has been previously entered for home consumption with like spirit also previously entered for home consumption where these spirits attract the same rate of excise duty.

5. Definitions

In this determination:

CEO means the Commissioner of Taxation (see subsection 4(1) of the Excise Act).

Spirit means goods described in item 3 of the Schedule to the *Excise Tariff Act 1921* (Tariff Act).

Schedule means the Schedule to the *Excise Tariff Act 1921*.

6. Repeals

This instrument repeals the *Excise (Spirit blending exemptions) Determination 2010 (No. 1)* (F2010L00823) registered on 12 April 2010.