Print whole section

Excise on alcohol

Your excise obligations for alcohol (excluding wine).

Alcohol excise and key terms

Understand your excise obligations and key terms if your business manufactures, produces or stores excisable alcohol.

Excise on beer

Your excise obligations if your business manufactures beer, stores underbond or sells beer.

Excise on spirits and other excisable beverages

Your excise obligations if your business manufactures, stores underbond, or sells spirits or other excisable beverages.

Excise licences for excisable alcohol

How to get an excise licence to manufacture, produce, or store underbond alcohol products and tell us of changes.

Permissions to move excisable alcohol products

How to apply for permission to move underbond excisable goods between excise-licensed premises or to a place of export.

Excise duty rates for alcohol

Check the current excise duty rates for alcohol on beer, spirits and other excisable beverages.

Calculating alcohol excise duty

Work out the excise duty you need to pay on alcohol using the volume and strength of your final product.

Lodging and paying – excisable alcohol

How to lodge an excise return and pay excise duty on alcohol and alcohol products.

Refunds and drawbacks for excisable alcohol

How to claim a refund, drawback or remission on excisable alcohol.

Excise remissions for excisable alcohol

Find out how to get a remission of alcohol excise duty for supply or manufacture through the remission scheme.

Record keeping for excisable alcohol

Learn which records your business needs to keep if you hold an excise licence for alcohol products.

What attracts our attention - illicit alcohol

Understand what illicit alcohol is and how we respond to it.

Draft beer and cider taxation determinations

What the draft beer and cider determinations mean for you.

QC 63538

Alcohol excise and key terms

Understand your excise obligations and key terms if your business manufactures, produces or stores excisable alcohol.

Last updated 2 July 2026

Excise duty

Excise duty is a commodity-based tax on:

- alcohol (except products that wine equalisation tax applies to)
- fuel and petroleum products
- tobacco.

If you manufacture, produce or store these excisable goods in Australia, you:

- need to hold an excise licence
- may need to pay excise duty.

Alcohol products subject to excise

Beer, spirits and other excisable beverages are all excisable alcohol products. They're generally subject to excise duty if you manufacture or produce them in Australia.

Wine is subject to wine equalisation tax and not excise duty.

Understanding the classification of your products is an important step to ensure you correctly meet your excise obligations.

If you donate excisable goods, such as beer or spirits, they are still subject to excise duty. You will need to report and pay excise duty on these.

Importing alcohol products

Excise equivalent goods (EEGs) are imported alcohol, tobacco, or fuel and petroleum products that would be subject to excise if they were manufactured or produced in Australia. Instead of paying excise duty on EEGs, you generally pay an equivalent customs duty.

EEGs can be used in the manufacture of excisable goods.

If you import these goods, you have customs duty obligations, including registration, licensing, lodgment, payment and record keeping.

Excise remission scheme for manufacturers of alcoholic beverages

From 1 July 2021, eligible alcohol manufacturers can receive a full (100%) automatic remission of excise duty on alcoholic beverages they manufacture.

This is known as the Excise remission scheme for manufacturers of alcoholic beverages or the Remission scheme. The scheme applies to eligible alcoholic beverages that you enter for home consumption on or after 1 July 2021.

The maximum amount of remission that can be claimed each financial year is:

- $400,000 from 1 July 2026
- $350,000 from 1 July 2021 to 30 June 2026.

Excise guidelines for the alcohol industry

We publish the Excise guidelines for the alcohol industry on our Legal database. The guidelines:

- provide a broad outline of the excise laws and compliance obligations for the alcohol industry
- are a reference tool to help you get things right and contain more detailed information and examples.

Excise statistics

We publish statistics and data on aspects of the excise system at:

- Taxation statistics
- Excise beer clearance data
- Excise spirits and other excisable beverages clearance data.

Key excise terms

General excise terms

General excise terms and their meanings

Term	Meaning
Automatic remission	An excise remission that does not require you to apply to cancel the liability to pay excise duty. If you're eligible for the remission scheme you still need to report it on your excise return. In all cases you must maintain appropriate records.
Deliver into the Australian domestic market	When excisable alcohol products are released into domestic consumption. The term used in the legislation is 'deliver for home consumption'. Normally this will be by delivering the goods away from the excise-licensed premises but also includes: • using those goods yourself

	• selling the goods for consumption on site. 'Home consumption' is explained in the table below.
Entity-level licence	An excise-equivalent warehouse licence, excise manufacturer licence or excise storage licence that covers multiple premises.
Excisable goods	Goods that are subject to excise duty as specified in the Schedule to the Excise Tariff Act 1921.
Excise drawback	A repayment of the excise duty you've paid (either directly or in the purchase price) on goods that you subsequently exported.
Excise duty	A commodity-based tax on alcohol, tobacco, and fuel and petroleum products manufactured or produced in Australia.
Excise licence	An excise licence enables you to legally manufacture, produce and / or store excisable goods in Australia. There are different types and they each have conditions and obligations you need to comply with.
Excise refund	A refund you can claim from us for excise duty you've paid on goods delivered for domestic consumption in certain situations. Any refund you receive is assessable income for income tax purposes, so you need to include it in your tax return.
Excise remission	A remission cancels the liability to pay excise duty.
Excise-equivalent goods (EEGs)	Imported alcohol, tobacco, or fuel and petroleum products that would be subject to excise duty if they were manufactured or produced in Australia. Instead of paying excise

	duty on EEGs, you generally pay an equivalent customs duty.
Excise-equivalent warehouse licence	A warehouse licence that authorises the warehousing of excise equivalent goods. It doesn't include a warehouse licence that covers an outwards duty free shop, an inwards duty free shop, or storage of goods other than fuel to be supplied as aircraft or ship stores.
Excise-licensed premises	One that is licensed by us, under the *Excise Act 1901*. The premises covered will be specified on the excise licence.
Home consumption	Refers to the destination of the excisable goods as being within Australia rather than exporting them.
Movement permission	Enables you to legally move underbond excisable goods between excise-licensed premises or to a place of export.
Periodic settlement permission (PSP)	Allows you to: • deliver excisable goods into the Australian domestic market over a specified period (settlement period) • defer when you lodge your excise return and pay excise duty until a specified date.
Underbond	Excisable goods are underbond while they are subject to our control. Our control ceases when excisable goods have been delivered into the Australian domestic market, exported or a remission has been applied. The excisable goods are no longer underbond in the following examples: • the product has been delivered into the Australian domestic market for home consumption under a periodic settlement permission

	• a remission has been applied in relation to product that was unfit for human consumption • you have applied the Excise remission scheme for manufacturers of alcoholic beverages (subject to meeting the eligibility criteria).

Excisable alcohol terms

Excisable alcohol terms and their meanings

Term	Meaning
Brew on premises shops (BOPS)	Commercial facilities that produce beer for non-commercial purposes. The public can use these facilities and equipment to make their own beer for personal use, but not for sale. Individual customers do the packaging.
Bulk container	A container with the capacity to have more than 2 litres of liquid packaged in it.
Concessional spirit	Typically very high-strength spirits that are excise free when used for concessional purposes or made unfit for human consumption (denatured).
Container	Any article capable of holding liquids.
Feints	Feints are low quality spirits obtained during the distillation process.
LAL	Abbreviation for total litres of pure alcohol contained in a product. You need to know the LALs in your excisable alcohol product in order to calculate how much excise duty is payable.

Manufacturing	When we refer to manufacturing or producing excisable alcohol products, we mean all the processes used to produce them. See Excise Ruling ER 2012/1 *Excise: the meaning of the expression 'manufactured or produced' for the purposes of the Excise Acts*.
Other excisable beverages (OEBs)	Beverages containing more than 1.15% alcohol by volume excluding beer, brandy or wine. Other excisable beverages include: • liqueurs • pre-mixed spirit-based drinks (a type of ready-to-drink (RTD) beverage) • fermented products that aren't beer or wine (for example, cider that wine equalisation tax doesn't apply to).

For more information on excise definitions and guidelines, see:

- Excise Act 1901 section 4 – Definitions
- Excise guidelines for the alcohol industry.

QC 63543

Excise on beer

Your excise obligations if your business manufactures beer, stores underbond or sells beer.

Last updated 15 May 2023

Definition of beer

Beer is generally subject to excise duty. Other than in limited circumstances, you need an excise licence to manufacture it. Manufacturing includes all the processes used to produce beer.

For excise purposes, beer is a beverage that is brewed, and:

- is the product of the yeast fermentation of an aqueous extract of predominantly malted or unmalted cereals, but may also contain other sources of carbohydrates
- contains hops, or extracts of hops, or other bitters so that the beverage has no less than 4 international bitterness units (or comparable bitterness if other bitters are used)
- may have spirit distilled from beer added to it, but only if that spirit does not add more than 0.5% to the total volume of the final product
- may have other substances (including flavours) added to it, but in the case of other substances that contain alcohol (other than beer spirit), the alcohol does not add more than 0.5% to the total volume of the final product
- contains no more than 4% by weight of sugars (monosaccharide and disaccharide)
- does not contain any artificial sweeteners
- has an alcohol content of more than 1.15% by volume.

You should be able to establish whether your product meets the definition of beer for excise purposes from your manufacturing specifications and processes. If you have questions or need help, you can contact us.

For a further explanation of terms, see Alcohol excise and key terms.

Categories of excisable beer

The 2 categories of excisable beer where an excise licence is required are:

- commercial beer – beer that's manufactured in commercial premises for commercial purposes
- brew on premises shop – beer brewed in particular premises using commercial facilities for non-commercial purposes.

Beer not subject to excise

Home-brewed beer is not subject to excise duty when it's produced for non-commercial purposes using non-commercial facilities and equipment. If you make this type of home-brewed beer, you:

- don't need an excise licence
- can't sell it (or offer it for sale).

Limited automatic remission on certain quantities of beer

You don't need our permission to destroy beer you manufacture that is damaged or not fit for consumption if:

- you destroy less than (or equal to) 125 litres of alcohol (LALs) in a quarterly period
- the goods are underbond
- you haven't paid excise duty on them.

However, you need to keep detailed records of the goods you destroy. We may ask to see these records.

If you destroy more than 125 LALs in a quarterly period, you need to ask for permission from us first by lodging an Excise remission application.

Your excise obligations for beer

In summary, if you:

- manufacture excisable beer, or store excisable beer underbond (on which duty hasn't been paid), you need an excise licence from us. You must comply with all of the conditions of your licence
- deliver excisable beer into the Australian domestic market (for home consumption), you must lodge an excise return and pay excise duty
- import beer, instead of paying excise duty you generally pay an equivalent customs duty as this type of beer is an excise equivalent good (EEG).

You must keep accurate and complete records to help you meet your tax obligations and manage your business and cash flow. This is a legal requirement.

Excise on commercial beer

Understand what commercial beer is and how the excise duty rate is applied.

Beer manufactured at brew on premises shops

Understand licensing and your obligations if your business is a brew on premises shop (BOPs).

Excise on repackaged beer

How to apply excise duty when you repackage commercial beer.

QC 63544

Excise on commercial beer

Understand what commercial beer is and how the excise duty rate is applied.

Last updated 15 May 2023

For excise purposes, commercial beer is beer your business manufactures in commercial premises for commercial purposes.

The rate of excise duty that applies to commercial beer is based on the:

- alcoholic strength of the beer
- size and design of the container you package it in – different rates apply for containers

- less than 8 litres, or between 8 and 48 litres inclusive and **not** designed to connect to a pressurised gas delivery or pump delivery system
- of at least 8 to 48 litres inclusive and designed to connect to a pressurised gas delivery or pump delivery system
- that exceed 48 litres.

To manufacture alcohol, you may also need to check with:

- state or territory liquor licensing
- the Food Standards Code
- health agencies
- local government.

QC 63545

Beer manufactured at brew on premises shops

Understand licensing and your obligations if your business is a brew on premises shop (BOPs).

Last updated 15 May 2023

Obligations for beer produced in brew on premises shops

Brew on premises shops (BOPS) are commercial facilities that produce beer for non-commercial purposes. The public can use these facilities and equipment to make their own beer for personal use, but not for sale. Individual customers must also do the packaging.

Beer brewed in BOPS are subject to excise duty under sub-items 1.15 or 1.16 in the Schedule to the *Excise Tariff Act 1921*.

Even though BOPS' customers brew the beer, you (as the operator or proprietor of one of these shops) must:

- hold an excise manufacturer licence
- pay the excise duty.

This includes test and sample brews you produce.

Products that can be brewed in brew on premises shops

You and your customers can only brew products that meet the definition of beer for excise purposes.

You should be able to establish if the product meets the definition of beer from the manufacturing specifications and processes.

If you have any questions, you can contact us.

Apply for a licence to brew on premises

To get a licence to brew on premises, you need to complete the Application for a licence to brew on premises (NAT 5904) form and provide detailed information, including:

- consent forms for background checks on the applicant and other people associated with managing the business
- information about your premises, including building structure, security measures and whether you own or lease the premises
- manufacturing details for the proposed beer products
- equipment used
- samples from your record-keeping system
- plans and photographs for the facility.

We assess your application and usually give you our decision within 28 calendar days after we receive the required information.

You should also check with relevant local, state and Australian government bodies if any other obligations apply to your business.

Changing your licence to brew beer for commercial use

You can only make beer in accordance with your excise licence. A licence to brew on premises only allows you and your customers to make beer for non-commercial purposes. This includes test and sample brews.

Contact us if you want to change your licence from a BOPs to allow you to make beer for commercial purposes.

If you do make beer commercially, you must keep records that distinguish between the 2 types of production (non-commercial and commercial) and clearly identify the commercially-brewed product.

Beer brewed for commercial purposes is subject to a higher rate of excise duty.

See information on Lodging and paying – excisable alcohol.

QC 63546

Excise on repackaged beer

How to apply excise duty when you repackage commercial beer.

Last updated 28 June 2023

Repackaged beer

Packaging isn't a manufacturing process for excise purposes. However, manufacturing beer has an extended meaning to cover when you repackage beer that was previously entered at a concessional rate.

An exemption to this applies to the first 10,000 litres of beer repackaged at particular premises where the:

- beer is repackaged into exempt beer containers for the purposes of retail sale

- retail sale occurs immediately after repackaging.

For businesses that repackage beer at more than one premises, each premises is subject to its own threshold in terms of the volume of repackaged beer.

An **exempt beer container** is:

- a sealed individual container
- no more than 2 litres
- not pressurised.

The rate of excise duty that applies to commercial beer is based on the:

- alcoholic strength of the beer
- size and design of the container you package it in.

For more information on alcohol terms, see Alcohol excise and key terms.

When you won't need a manufacturer licence

There are 3 situations when you won't need a manufacturer licence and won't incur a second amount of excise duty on the same beer:

- where the beer has had duty paid on it at a non-concessional rate, and then you repackage it into another sealed container
- if you obtain an excise storage licence to hold or acquire the bulk beer underbond – the duty is then payable at the higher packaged rate when you fill the smaller, sealed containers
- the exemption applies to you, and you do not repackage more than 10,000 litres in a financial year.

When you need a manufacturer licence

You'll need a manufacturer licence if you repackage beer that has previously been entered at a concessional rate into individual sealed containers that are:

- less than 8 litres

- 8 – 48 litres (inclusive), where the container is not designed to connect to a pressurised gas or pump delivery system or other prescribed system

You require a licence when you have reached the 10,000 litre exemption, or do not qualify for the exemption.

You will be responsible for lodging an excise return and paying the excise duty on the repackaged beer, (or where the exemption applies, on any repackaged beer over 10,000 litres), based on the applicable rates of excise duty. Any duty paid on the beer at a concessional rate prior to the repackaging is not refundable. If you hold an excise licence you will need to lodge a return and pay excise duty before you deliver excisable alcohol into the Australian domestic market.

Different rules apply to beer entered for home consumption before 1 July 2019.

For help completing this licence application, see Application for a licence to manufacture alcohol.

As an excise licence holder, you need to keep the records required by your licence. For more information, see Record keeping for excisable alcohol.

For more information on definitions, see ER 2012/1 *Excise: the meaning of the expression 'manufactured or produced' for the purposes of the Excise Acts*.

QC 63547

Excise on spirits and other excisable beverages

Your excise obligations if your business manufactures, stores underbond, or sells spirits or other excisable beverages.

Last updated 17 September 2024

Media: Distil the facts about alcohol. https://tv.ato.gov.au/ato-tv/media?v=bd1bdiub87koiw (**Duration:** 0:30)

Spirits and other excisable beverages

Alcohol products are classified as spirits or other excisable beverages if they are not:

- beer (including home brew)
- alcohol products that wine equalisation tax (WET) applies to.

Spirits and other excisable beverages are subject to excise duty. You need an excise licence to manufacture them. You may also need permission to otherwise deal with them.

If you hold an excise manufacturer licence, you may be eligible to apply an automatic remission under the Remission scheme.

Spirits are alcohol products created through distillation (that is, using a still). Examples include brandy, whisky, rum, vodka and gin.

You need to understand your excise obligations if you are in the business of:

- manufacturing spirits or other excisable beverages
- storing spirits or other excisable beverages underbond
- delivering or selling spirits or other excisable beverages.

We don't grant licences to distil spirits for personal consumption. There needs to be a commercial purpose involved. For more information on whether your activities are a business for tax purposes, see Are you in business?

Brandy, whisky and rum

The *Excise Act 1901* (the Excise Act) has specific definitions for brandy, whisky and rum. These are spirits that meet all the following requirements:

- distilled using either
  - grapes for brandy

  - cereal grain for whisky
  - sugar cane products for rum
- matured in wood for a minimum of 2 years
- possess the taste, aroma and other characteristics typically attributed to brandy, whisky or rum.

Blending of spirits

See EXC 2020/1 *Excise (Spirit blending exemptions) Determination 2020 (No. 1)* for detailed information about when the blending of spirits is not the manufacture of an excisable product.

Concessional spirits

Spirits are free of excise duty when used for concessional purposes or made unfit for human consumption (denatured).

You don't need a permit to buy spirit that has been denatured using a formula approved by us. However, you need a permit to buy spirit that has **not** been denatured using an approved formula.

For more information, including obligations for spirits approved for concessional purposes or denatured spirits, see Excise on concessional spirits.

Other excisable beverages

Other excisable beverages (OEBs) are beverages containing more than 1.15% alcohol by volume excluding beer, brandy or wine. OEBs include:

- liqueurs
- pre-mixed spirit-based drinks (which are a type of ready-to-drink (RTD) beverage)
- fermented products that aren't beer or wine (for example, cider that wine equalisation tax doesn't apply to).

If you mix 2 or more alcoholic beverages or mix alcoholic beverages with other substances to produce a new alcoholic beverage, the tax treatment will vary. This depends on both the ingredients and the alcoholic strength of the final product. Generally, if you mix alcoholic

beverages with other substances, the final beverage is subject to excise duty and requires an excise manufacturer licence.

However if you mix an excisable alcohol product (including excisable alcoholic beverages) or other substances with wine that wine equalisation tax applies to, you should contact us to find out the correct tax treatment. For more information see When preparing mixed alcoholic beverages isn't manufacture.

When you don't need a manufacturer licence

Beverages that aren't produced by distillation, and don't contain any spirit produced by distillation, can be made without an excise manufacturer licence where they are made:

- for non-commercial purposes
- using non-commercial facilities and equipment.

These types of beverages typically include fermented products such as home-brewed beer, cider and wine.

When preparing mixed alcoholic beverages isn't manufacture

You don't require an excise manufacturer licence or need to pay excise duty when alcohol, that has been entered for home consumption, is used to prepare mixed alcoholic beverages (for example, cocktails) for a customer in a retail setting to either:

- consume on the premises
- take away in a sealed, single-serve container to consume soon after purchase. The container can't be one designed for medium to long-term storage, such as the types of cans or bottles that are used in manufacturing ready-to-drink (RTD) beverages.

Difference in excise duty rates for spirits

Spirits are divided into different classes (or tariff sub-items). Each has its own rate of excise duty per litre of alcohol (LAL).

In practice, the excise duty rates for spirits only differ between:

- brandy (spirit distilled from grape wine in such a manner that it has the taste, aroma and other characteristics generally attributed to brandy)
- concessional spirits (including denatured spirit)
- all other spirits including OEBs.

Permission to enter bulk spirits or other excisable beverages

You need our specific written permission to enter spirits or other excisable beverages (OEBs) other than concessional spirits into the Australian domestic market in a container with a capacity of more than 2 litres.

For example, a licensed distiller may want to sell spirit packaged in a 20-litre plastic container directly to pubs and clubs, where it will be used to prepare mixed alcohol beverages (such as cocktails) for consumption on the premises. The distiller can't sell the spirit to those pubs and clubs without first obtaining written permission from the ATO to enter the spirit packaged in the bulk container into the Australian domestic market.

To apply for permission, submit your request to us in writing and provide:

- product name
- alcohol strength
- the container size
- the intended market (for example, pubs and clubs).

We can't give permission to enter spirits or OEBs that are packaged in a container with a capacity of more than 2 litres where they are to be repackaged into any other container for retail sale.

Spirits or OEBs packaged in a container with a capacity of more than 2 litres can be supplied underbond and repacked for retail sale at an excise-licensed premises, prior to the goods being entered into the Australian domestic market.

You can contact us for more information.

Stills used to distil alcohol

To use a still of any capacity to distil alcohol, you **must** have an excise manufacturer licence. Penalties apply if you manufacture spirits without one.

For us to grant you a manufacturer licence we consider your situation, such as:

- that you intend to distil spirits for a commercial purpose (we don't grant licences to distil spirits for personal consumption)
- the security of your premises
- that you will pay the correct amount of excise duty when required.

Excise duty is generally payable on alcohol you distil, even if you don't have a licence.

To manufacture or sell alcohol, you may also need to check with:

- state or territory liquor licensing
- health agencies
- the Food Standards Code
- your local government.

Stills used for other purposes

You can own a still with a capacity of 5 litres or less without our permission, but only if you're **not** using it to distil alcohol.

For a still over 5 litres in capacity, if you're not a licensed excise manufacturer you must have permission from us to do any of the following:

- manufacture the still
- move or set up the still
- sell or buy the still
- import the still
- have possession, custody or control of the still.

Penalties apply if you don't have the appropriate permission for a still.

Find out how to apply for permission to use a still.

Excise on concessional spirits

Understand your excise obligations for spirits approved for concessional purposes or denatured spirits.

Excise on fortified wine

Work out whether excise duty or wine equalisation tax (WET) applies to your fortified wine products.

QC 63548

Excise on concessional spirits

Understand your excise obligations for spirits approved for concessional purposes or denatured spirits.

Last updated 10 December 2024

What are concessional spirits

Spirits are free of excise duty if they are:

- used for approved concessional purposes (you may still need a permit to buy these spirits)
- denatured (made unfit for human consumption) using a formula approved by us and not for use as fuel in an internal combustion engine).

Concessional spirits are typically very high strength.

You generally need a permit or licence from us to:

- use spirits for concessional purposes

- buy spirits that have been denatured using a formula not approved by us
- supply end users directly from someone else's excise-licensed premises
- resell concessional spirits.

Regulations concerning the safe and proper handling, storage, transport and use of dangerous goods such as spirit, are governed by other relevant local, state and federal bodies. Contact the relevant body in your state or territory for further information.

For more information, see Application for approval to use spirits (NAT 3248).

Using spirits for concessional purposes

You can use concessional spirits for approved industrial, manufacturing, scientific, medical, veterinary or educational purposes, such as to:

- fortify Australian wine or grape must
- manufacture
  - medicines, including vaccines
  - essences and flavours
  - mouthwashes
  - printing inks
  - foodstuffs
- sterilise equipment
- preserve specimens.

Resale of concessional spirits is not an approved use. You must have an excise licence to resell concessional spirits.

To use concessional spirits for approved purposes, you generally need to hold a permit to use concessional spirits.

However, certain professionals and institutions can use quantities of concessional spirits for approved purposes without needing a permit, including:

- health care practitioners
- veterinary practitioners
- medical, government and educational institutions.

For more information, see:

- Excise (Concessional Spirits – Class of Persons) Determination 2024
- EXC 2016/6 *Excise concessional spirit approvals guidelines 2016 (No. 2)*.

Buying denatured spirit

You **don't** need a permit to buy a denatured spirit if it:

- has been denatured using a formula approved by us
- is not for use as fuel in an internal combustion engine.

You **do** need a permit to buy denatured spirit if it has been denatured using a formula that is not approved by us.

Licence obligations for concessional spirits

If you take physical possession of concessional spirits to supply or resell, you must hold an excise manufacturer or storage licence. You will need to make sure you understand and meet your excise obligations. These include:

- holding the correct licence
- reporting deliveries
- record keeping.

If you supply or resell concessional spirits but don't take physical possession of the spirits, see Reporting deliveries of concessional spirits without an excise licence.

A manufacturer licence will also allow you to:

- store spirits

- repack spirits
- export spirits
- reduce the strength of spirits
- add colourings or other chemicals to spirits.

A storage licence will also allow you to:

- store spirits
- repack spirits (but not change the product, for example you can't reduce)
- export spirits.

If you want to move goods between excise-licensed premises or to a place of export, remember you need to apply for permission.

There are different record keeping requirements for concessional spirits, depending on whether you resell or use concessional spirits.

Reporting deliveries of concessional spirits without an excise licence

You don't need a manufacturer or storage licence if you don't take physical possession of the concessional spirit (for example, you are acting as an agent) and you want to supply or resell it. In this case you must:

- be registered for excise
- lodge an excise return to report your deliveries.

You report either before delivery or periodically after delivery (if you have a periodic settlement permission).

Who you can supply

You can supply concessional spirits to:

- any person or business who holds a current concessional spirits permit and nominates you as a supplier – you can't supply more than the quantity on the permit though (Excise Tariff sub-items 3.5 and 3.7)

- the following professionals and institutions (Excise Tariff sub-item 3.6)
  - health care practitioners
  - veterinary practitioners
  - medical, government and educational institutions
- anyone for any purpose if the spirits are denatured to a formula we have approved (Excise Tariff sub-item 3.8).

You still require a concessional spirit permit if you are a manufacturer and you supply the concessional spirit to yourself for use.

For more information on educational, medical and government institutions that can be supplied, see Excise (Concessional Spirits – Class of Persons) Determination 2024.

Evidence required before supply

Before you supply concessional spirits (other than denatured spirit), you must have evidence that the user can receive the concessional spirits. Examples include:

- a current concessional spirits permit (if applicable) – a copy is sufficient
- a registration certificate or registration number for a health practitioner (pharmacist, doctor, chiropractor, dentist, osteopath, physiotherapist or registered nurse) or veterinary practitioner registered under state or territory law
- information evidencing an exemption under Part 3-3 of the *Therapeutic Goods Act 1989* (TGA) for a health care practitioner (acupuncturist, herbalist, homeopath or naturopath) such as a certificate or other evidence of membership with an approved practitioner organisation
- an official letterhead or purchase order from a medical or educational institution or government agency
- a certificate of registration or accreditation from an educational institution.

If you're dealing with third parties and need to know about their approvals to receive concessional spirits, you can contact us.

Approved formulas for denatured spirits

Approved formulas for denatured spirits (Excise Tariff sub-item 3.8) specify the minimum quantity of specific or certain denaturants that must be used to supply denatured spirits at a duty rate of 'free'.

If you use a different formula, you may apply to us in writing to have your formula approved. Your application should include **all** of the following:

- details of the formula
- specifications for the denaturants used
- technical specifications for the effects of the denaturant in a quantity of alcohol at a strength of 5% by volume in terms of
  - smell
  - taste
  - toxicity.

We will write to you to advise you of the outcome of your application.

For more information, see EXC 2016/10 *Excise (Denatured spirits) Determination 2016 (No. 3)*.

QC 63549

Excise on fortified wine

Work out whether excise duty or wine equalisation tax (WET) applies to your fortified wine products.

Last updated 17 September 2024

Work out if excise duty or wine equalisation tax applies

Wine fortification is the process of adding spirit to wine or grape must. You can add the spirit during or after fermentation.

To work out if excise duty or wine equalisation tax (WET) applies to a fortified alcohol product, we consider the:

- type of product that's fortified
- type of spirit used to fortify it
- final alcoholic strength of the end product.

Beverages with an alcohol content of 1.15% or less are **not** subject to either WET or excise duty.

You must record and keep details of all fortifying spirits you have received, stored and used. You must keep these records for at least 5 years and make them available to us if requested. For more information, see Records for wine fortification.

Excise treatment of fortified wine

The following table provides an indication of whether a fortified product is subject to wine equalisation tax (WET) or excise duty. However, we encourage you to contact us if you have questions about your specific situation.

The excise treatment of fortified wine – when excise duty or WET is payable

Product	Alcoholic strength less than 8%	Alcoholic strength 8–22% inclusive	Alcoholic strength more than 22%
Grape wine fortified with grape spirit and / or brandy	WET	WET	Excise duty
Grape wine products fortified with grape spirit and containing at least	Excise duty	WET	Excise duty

70% grape wine			
Fruit or vegetable wine fortified with grape spirit or neutral spirit	Excise duty	WET (The fruit or vegetable wine must be at least 15% strength after the fortification)	Excise duty
Fruit or vegetable wine fortified with alcohol from any other source (see note)	Excise duty	Excise duty	Excise duty
Mead fortified with grape spirit or neutral spirit	Excise duty	WET (the mead fortified with grape spirit or neutral spirit must contain between 15% strength and 22% strength)	Excise duty
Cider and perry fortified with alcohol from any other source (see note)	Excise duty	Excise duty	Excise duty
Sake fortified with any spirit	Excise duty	Excise duty	Excise duty

Note: 'Alcohol from any other source' means alcohol from any original source other than the fruit or vegetables (for fruit or vegetable wine) or apples or pears (for cider or perry).

For more information, see:

- WETR 2009/1 *Wine equalisation tax: the operation of the wine equalisation tax system*

- WETR 2009/2 *Wine equalisation tax: operation of the producer rebate for other than New Zealand participants*.

Mixing alcoholic beverages to produce a new product

If you mix 2 or more alcoholic beverages or mix alcoholic beverages with other substances to produce a new alcoholic beverage, the tax treatment will vary. This depends on both the ingredients and the alcoholic strength of the final product.

Generally, if you mix alcoholic beverages with other substances, the final beverage is subject to excise duty and requires an excise manufacturer licence.

However if you mix an excisable alcohol product (including excisable alcoholic beverages) or other substance with wine that wine equalisation tax applies to, you should contact us for help to find out the correct tax treatment.

For more information see, When preparing mixed alcohol beverages isn't manufacture.

When you need a manufacturer licence

If the fortified product you intend to make is subject to excise duty, you must hold an excise manufacturer licence before you start manufacturing. This licence allows you to manufacture and store excisable goods (in this case, the fortified product).

Lodgment and payment obligations

If you are an excise manufacturer and you have excise lodgment or payment obligations, you will be required to lodge an excise return.

Concessional spirits used in wine fortification

You must apply for a permit where you intend to receive concessional spirits if you want to use spirits to fortify Australian wine or Australian grape must. A permit allows you to use the spirit for approved

commercial purposes (in this case, fortification of Australian wine or Australian grape must).

Concessional spirits are free of excise duty. You will need a permit whether you produce the spirits yourself or get them from a licensed supplier.

QC 63551

Excise licences for excisable alcohol

How to get an excise licence to manufacture, produce, or store underbond alcohol products and tell us of changes.

Last updated 17 April 2025

When you need an excise licence

If you manufacture, produce or store excisable alcohol products in Australia, you need an excise licence.

Under the *Excise Act 1901,* it is an offence to manufacture, produce or store excisable goods without an excise licence – criminal penalties may apply.

There are different types of licences. It's important to understand:

- what excise licences you need to hold for your business or situation
- the conditions of the licences you hold
- your obligations as an excise licence holder.

You don't need to pay to apply for excise licences. However, we may impose additional conditions on your licence or ask you to lodge a financial security to protect the excise duty revenue.

A financial security can be a bond, bank guarantee, cash deposit or similar financial product (or any combination given in a form and manner we approve) for an amount of money which may be forfeited if

you fail to comply with your excise obligations. There is no statutory limit to the amount of a security, but the amount is generally set by reference to the level of revenue at risk.

Your licence will be valid from the day we grant it until it is cancelled. There is no renewal process for excise licences relating to alcohol products.

How to apply for an excise licence

Find out the excise licence you need and apply for a:

- Manufacturer licence
- Storage licence
- Licence to brew on premises
- Licence for duty-free sales

These licences may cover a single premises (a single-premises licence) or multiple premises (an entity level licence). You can apply for either, depending on your business needs.

Manufacturer licence

You need a manufacturer licence if you:

- manufacture beer
- distil spirits (we do not grant licences to distil spirits for personal consumption)
- undertake maturation of spirits, including when you have already paid excise or customs duty on them
- blend or reduce the strength of spirits, including when you have already paid excise or customs duty on them
- manufacture liqueurs and other excisable beverages
- repackage beer
- store the excisable alcohol products you manufacture at your excise-licensed premises
- denature alcohol

- add flavours or colours to excisable products (such as in-line mixing as part of packaging into bottles, cans or kegs), including when you have already paid excise or customs duty on them.

Among other things, a manufacturer licence will specify the:

- conditions attached to the licence, including product restrictions
- type of excisable alcohol products you can manufacture
- locations of the premises
- activities you can do with those goods.

Apply for a licence to manufacture excisable products – alcohol

Repackaging duty-paid beer

Packaging isn't a manufacturing process for excise purposes.

However, manufacturing beer has an extended meaning to cover if you are repackaging beer that was previously entered at a concessional rate.

You need a manufacturer licence if you:

- buy beer in kegs or containers (that has been duty paid at a concessional rate)
- repackage it into individual sealed containers that are
  - less than 8 litres
  - 8 to 48 litres (inclusive), where the container is not designed to connect to a pressurised gas or pump delivery system, or other prescribed system.

An exemption to this applies to the first 10,000 litres of beer repackaged at a particular premises where the:

- beer is repackaged into exempt beer containers (sealed individual containers that are no more than 2 litres and are not pressurised) for the purposes of retail sale
- retail sale occurs immediately after repackaging.

For businesses that repackage beer at more than one premises, each premises is subject to its own threshold in terms of the volume of

repackaged beer.

Storage licence

You need a storage licence to store underbond excisable goods.

Among other things, a storage licence will specify the:

- conditions that apply to the licence
- type of excisable alcohol products you can store
- locations the goods can be stored
- activities, if any, you can do with those goods.

Apply for a licence to store excisable products – alcohol

Licence to brew on premises

If you brew beer for non-commercial purposes using commercial facilities or equipment – for example, brew on premises shops – it will be subject to excise duty.

It is the responsibility of the operator or proprietor of the shop to hold an excise licence and pay the excise duty, even though shop customers are brewing the beer.

Apply for a licence to brew on premises

Licence to store and sell goods duty free

To store excisable alcohol products and sell these products duty free, you need a licence to do so.

Apply for a licence to store excisable goods with permission to sell duty-free

Entity level licence

An entity level licence is one licence that covers multiple premises.

You can apply to vary one of your existing excise licences to cover multiple premises (new or existing).

Your entity level licence will contain a schedule which lists the premises, authorised activities, goods, and any special conditions that apply to your licence.

If you are granted an entity level licence, you may also receive a general movement permission. This will allow you to move underbond goods from premises covered by your licence to any other licensed premises (including other entities' licenced premises) that are also licensed to receive goods of the same kind.

For example, if your business is licensed to manufacture beer and it holds a general movement permission, you can move those goods to any other site that is licensed to store or manufacture the beer.

Contact us to apply for an entity level licence.

Varying your licence

If you hold an existing manufacturer or storage licence, you can apply to vary your licence to:

- consolidate your licences into an entity level licence that covers multiple premises
- add new premises to your existing licence
- remove premises from your licence.

We can also vary your licence to remove premises if we have reasonable grounds to suspend your licence in relation to those premises.

Example: consolidating to an entity level licence

Amazing Gin Co holds manufacturer and storage licences covering different premises and wants to consolidate their licences into one entity level licence. They apply to vary one of their manufacturer licences to cover the other premises that is licensed to manufacture or store spirits.

Once the variation has been approved, Amazing Gin Co is granted one entity level licence covering all of their existing licensed premises. The remaining single-premises licences are

cancelled, and Amazing Gin Co now holds an entity level manufacturer licence.

Contact us to apply for a variation to your licence.

Your obligations as a licence holder

As an excise licence holder, you have obligations you need to meet, which will be set out on your licence. This includes:

- stock control – manufacturing, storing and moving your goods
- lodging your excise return and paying excise duty
- record keeping for excisable alcohol
- telling us if your business changes or ceases.

Other obligations for excisable alcohol

If you manufacture excisable alcohol, you also have to measure alcohol volume and strength to correctly work out the amount of excise duty you need to pay. This is in addition to the general obligations for all excise licence holders.

Tell us if you change or cease your business

If you hold an excise licence and you change or cease your business operations, you need to notify us.

Changing your business operation

You must tell us within 30 days of changes to your business, including:

- change in ownership
- change in people who manage or control your business
- criminal charge or conviction of you or others who manage or control your business
- receivership, administration, liquidation or bankruptcy
- change in premises

- change that substantially affects the physical security of the premises or plant and equipment used in relation to excisable goods at the premises
- change in the type of excisable goods you manufacture or store
- change in the type of excise equivalent goods (EEGs) you store or use in excise manufacture
- cessation of manufacturing or storing excisable goods or EEGs.

Ceasing your business operation

As a condition of your excise licence, you must write to us within 30 days of ceasing to operate your business to request we cancel your licence.

Before we cancel your licence, we need to ensure you no longer have any excisable or customable products. To do this we:

- conduct a final audit of goods at the licensed premises
- work out if you're liable to pay any excise duty.

If you decide to sell your business inclusive of stock, we'll try to cancel your licence at the same time as we approve the licence for the new owner. That way there will be continuity of licensing for the premises and goods. However, this doesn't mean we will automatically grant the new owner a licence.

If you don't intend to sell the goods with your business, you can either:

- pay any outstanding excise duty on goods held at the licensed premises and then dispose of the goods as you wish
- move the goods to another licence holder's premises if you have permission from us.

If you're ceasing your excise activities and closing down your business permanently, you'll also need to cancel your GST and cancel your ABN registrations after you have met all of your tax and super obligations.

When we may suspend or cancel your licence

When we have reasonable grounds to do so, we can:

- suspend or cancel your excise licence, or
- suspend particular premises covered by your entity level licence or remove those premises from your entity level licence.

Reasonable grounds for suspension or cancellation include:

- you are not fit and proper as an individual or company
- you are the associate of an individual or a company that is not fit and proper
- you or any other partner in the partnership is not fit and proper
- a person who participates in the management or control of the premises specified in the licence is not fit and proper
- a director, officer or shareholder who participates in the management or control of the company is not a fit and proper person
- you don't have, or have available to you, the skills and experience required to carry out the activity authorised by the licence
- the physical security of the premises is inadequate
- the plant and equipment used at the premises are inadequate to protect the excise revenue related to the goods at the premises
- you have no market for the goods covered by the licence
- you aren't complying with your record-keeping requirements
- you have breached a condition of your licence
- you have made a false or misleading statement to us
- cancellation is needed to protect the related excise revenue
- cancellation is needed to ensure you comply with the excise law
- you have not conducted any activities authorised by the licence at any premises covered by the licence for a period of at least 3 years.

Licence suspension

If we suspend your licence, the activities you are approved to do under your licence will be restricted. If you hold an entity level licence, we

may suspend your licence in relation to particular premises rather than the entire licence.

Suspension may be a temporary measure or may lead to the cancellation of your licence or removal of premises from your licence.

Licence cancellation

In addition to the above, we may also cancel your excise licence when:

- you ask us to (for example, where you intend to cease business)
- no remaining premises would be covered by the licence because of a variation to remove premises from your licence.

For more information, see section 4 of the Excise guidelines for the alcohol industry.

Obtaining licence information for third parties

You can use the Excise and excise-equivalent warehouse licences register from August 2024 to find out if entities you intend to do business with hold a licence granted under the *Excise Act 1901* or *Customs Act 1901*.

You can also contact us for information about the excise licences and permissions of third parties you deal with.

Other registrations

If you're in business, you may also have other registration obligations. Some registrations are compulsory, while others are optional.

For more information, see:

- Permission to move excisable alcohol products
- Permits to receive concessional spirits

Stock control and access for excisable alcohol ›

Understand your responsibilities if your business holds an excise

Permits to receive concessional spirits

Understand the requirements and conditions of a permit to receive concessional spirits.

QC 63591

Stock control and access for excisable alcohol

Understand your responsibilities if your business holds an excise licence and stocks excisable alcohol.

Last updated 15 May 2023

Stock control

As an excise licence holder, you have specific responsibilities for your excisable alcohol stock, including:

- stock control – for example, conducting stocktakes and contacting us about stock issues such as losses (including spillages) and theft
- providing us with access to the premises specified in your excise licence.

You are responsible for the excisable goods in your possession, custody or control. We may require you to pay an amount equal to the excise duty that would have been payable on the goods if you:

- fail to keep those goods safe
- can't account for them to our satisfaction.

Stocktake requirements

You need to conduct regular stocktakes to:

- check the accuracy of your stock records

- identify security issues (such as theft)
- identify problems with plant and equipment
- identify omissions or errors in stock records.

Stocktakes for excisable alcohol products

We recommend you carry out stocktakes:

- monthly, or at a minimum, quarterly
- on a floor-to-book basis (that is, comparing the count of physical stock against the stock records).

For **breweries**, we recommend you:

- compare the quantities of product on hand with book totals
- update your stock records, if required.

For **distilleries**, we recommend you also:

- dip bulk storage vessels
- note temperatures
- establish volumes in litres and litres of alcohol (LALs).

In addition for distillers where you haven't checked alcohol strength in the last 3 months, it's a good idea to:

- re-test and record alcohol strength
- update stock records such as the stillhouse and VAT registers.

You need to keep complete records of all stocktake results, along with the other record keeping for excisable alcohol activities.

Discrepancies beyond your normal losses

You need to tell us as soon as you can if any discrepancies in product stocks are beyond your normal losses that you would expect to see for your business during a particular process.

For example, if you usually incur a loss of about 100 litres when doing each bottling run but then incur a loss of 300 litres for one particular run, we would expect you to investigate it to determine the reason and advise us of the discrepancy.

You need to reset the cumulative loss or gain figures for each bulk storage vessel in stock records to zero after the stocktake survey.

Destroying stock

Unless products have been accidentally destroyed, you need our permission before you destroy any underbond excisable products. You must also keep detailed records of the goods you destroy. We may ask to see these records.

For information on destroying excisable goods subject to remission, see Excise remissions for excisable alcohol.

When you need to contact us

For the underbond alcohol stock you're responsible for, contact us to:

- seek advice if you identify errors in your stock records
- tell us about any
  - significant spillage
  - theft of product from your premises, or in transit to or from your premises
  - excessive losses
- seek advice if underbond stock has been stolen – as the licence holder, you're responsible for accounting for the theft of underbond stock and paying duty on that stock
- seek our permission to destroy any underbond excisable products
- seek advice about whether you can offset stock gains against unaccounted shortages when you calculate duty payable on packaged stock losses.

We will tell you in writing if we decide that you need to pay an amount equal to the excise duty. We'll also advise you of your review rights at the same time.

ATO access to your premises

You must give ATO officers complete access, at all times, to every part of any factory, approved place or other premises specified in your

excise licence.

Our officers may examine and take account of excisable goods in these premises and in vehicles

QC 63594

Permits to receive concessional spirits

Understand the requirements and conditions of a permit to receive concessional spirits.

Last updated 15 May 2023

Requirements and conditions

We will not grant a permit to receive concessional spirits if any of the following apply:

- You don't intend to, or it's likely you won't, use the spirit for an approved purpose.
- The spirit is not for use in the course or furtherance of an enterprise.
- You use the spirit
  - in a beverage (other than as an incidental input, or in the manufacture of wine)
  - in any product, for intoxicating effect
  - as a fuel or component of fuel
  - for supply to another person.
- There are risks to revenue.
- There are risks of non-compliance with the excise laws.

We may place conditions on a permit we issue. For example, we may specify conditions necessary to ensure compliance, including:

- record keeping requirements
- security arrangements
- package sizes.

To apply for a permit, see Application for approval to use spirits (NAT 3248).

For approval guidelines, see Excise Concessional spirits approvals guidelines 2016 (No. 2).

How long your permit lasts

Permits are valid for the following periods from the day we issue them:

- permit for one-off specified quantity – 6 weeks
- initial ongoing permit – one year
- renewals of ongoing permit – determined on a case-by-case basis.

Duty applies to spirit not accounted for

If you can't account for the spirits to our satisfaction, we may demand you pay an amount equal to the excise duty you would have been liable to pay if the spirits were not concessional. The full rate of excise duty will apply.

QC 63596

Permission to move excisable alcohol products

How to apply for permission to move underbond excisable goods between excise-licensed premises or to a place of export.

Last updated 17 April 2025

When you need permission

Your business needs permission from us before you move underbond excisable goods between excise-licensed premises or to a place of export.

An excise-licensed premises is one that is licensed under the *Excise Act 1901*. The premises covered will be specified on the excise licence.

Rules for moving excisable goods

When we grant a movement permission, we may impose conditions or ask you to lodge a financial security with us so we can protect the excise duty revenue.

In order for goods to be moved underbond, a movement permission will specify both the:

- goods that can be moved
- premises that the goods can be moved from and to.

For single movement permissions, you must specify the period or dates when the goods may be moved, and the kind and quantity of the goods that can be moved.

Applying for a movement permission

You may need to apply for one of the following types of permissions.

Non-export movement permissions

If you need to move goods between excise-licensed premises, you will need one of the following:

- single movement permission (non-export) – which allows a one-off movement of specific underbond goods from one specified place to another. The movement must occur during the period specified in the permission. You would generally apply for a single movement permission if you don't normally deal with underbond goods.
- continuing movement permission (non-export) – which allows you to move underbond goods of a specified type without having to seek permission for each movement between specified excise-

licensed premises. This remains in force until we revoke it or you cancel it.

- general movement permission – a type of continuing movement permission we may give to licence holders on application or if you are granted an entity level licence. This will allow you to move your goods to any premises licensed to receive goods of the same kind. Contact us to apply for a general movement permission.

When moving goods to a licensed premises owned by another entity, you may need to check they will and are able to accept the goods.

Export movement permissions

An export movement permission (either single or continuing) allows you to move underbond excisable goods from excise-licensed premises to a place of export such as a wharf, airport, or customs depot.

You don't need an export movement permission if excise duty has been paid in full on the goods you are exporting. In these instances, you may be eligible for a drawback of the excise duty.

The export movement permission is **not** an authority to export. You must obtain this separately from the Department of Home Affairs. You must keep the export declaration number provided by the Australian Border Force. This will form part of your evidence that goods were moved for export.

Obtaining licence information for third parties

You can use the Excise and excise-equivalent warehouse licences register from August 2024 to find out if entities you intend to do business with hold a licence granted under the *Excise Act 1901* or *Customs Act 1901*.

You can also contact us for information about the excise licences and permissions of third parties you deal with. For example, to confirm that a third party can receive goods underbond.

Other registrations

If you're in business, you may also have other registration obligations. Some registrations are compulsory, while others are optional.

QC 63599

Excise duty rates for alcohol

Check the current excise duty rates for alcohol on beer, spirits and other excisable beverages.

Last updated 29 July 2026

How to use these tables

Save this page to your favourites to make sure you use the correct rate for each product in every excise return you lodge.

The tables on this page are a simplified version of the Schedule to the *Excise Tariff Act 1921*. For terms, refer to Alcohol excise and key terms.

We express excise duty rates per litre of alcohol (LAL) for alcoholic products.

Non-excisable beverages

The items in the following tables don't apply to beverages you make for personal use, using non-commercial facilities and equipment. The exception is distilled spirits and beverages containing distilled spirits.

Wine is not an excisable beverage – it is subject to wine equalisation tax (WET).

When rates change

Excise duty rates for alcohol are indexed twice a year – in February and August – in line with the consumer price index (CPI). The CPI indexation factor for rates from 3 August 2026 is 1.020. Find out how the excise duty rates are determined.

Note: From 4 August 2025, excise duty rates for subitems 1.2, 1.6, and 1.11 will be unchanged for 2 years due to a temporary freeze on

the indexation of rates for draught beer. Indexation for these subitems will resume in August 2027.

The excise duty rates may also change due to other law changes.

Use the right rate

There are different excise duty rates for your alcoholic products depending on the alcohol content. For beer, the rate also depends on:

- the size and design of the container you package it in
- if you produce it in commercial premises or a brew on premises shop.

When you lodge your return, remember to apply the right rate to the amount of product that is delivered before and after the effective date of a rate change.

Find out how to calculate excise duty on excisable alcohol.

Alcohol rates for beer

Excise duty on beer is payable on the alcohol content above 1.15% by volume in your finished product.

Table 1: Alcohol rates – beer

Tariff subitem Unit: $ per litre of alcohol	Description	From 2 February 2026 to 2 August 2026	From 3 August 2026
1.1	Alcohol volume not exceeding 3%, individual container: • less than 8 litres • 8–48 litres (inclusive) **and not** designed to connect to a	54.74	55.83

	pressurised gas delivery system or pump delivery system.		
1.2	Alcohol volume not exceeding 3%, individual container over 48 litres.	10.57	10.57
1.2	Alcohol volume not exceeding 3%, individual container of 8–48 litres (inclusive) and designed to connect to a pressurised gas delivery system or pump delivery system.	10.57	10.57
1.5	Alcohol volume exceeding 3% but not exceeding 3.5%, individual container: • less than 8 litres • 8–48 litres (inclusive) and **not** designed to connect to a pressurised gas delivery system or pump delivery system.	63.75	65.03
1.6	Alcohol volume exceeding 3% but not exceeding 3.5%, individual container over 48 litres.	33.11	33.11
1.6	Alcohol volume exceeding 3% but not exceeding	33.11	33.11

	3.5%, individual container of 8–48 litres (inclusive) **and** designed to connect to a pressurised gas delivery system or pump delivery system.		
1.10	Alcohol volume exceeding 3.5%, individual container: • less than 8 litres • 8–48 litres (inclusive) and **not** designed to connect to a pressurised gas delivery system or pump delivery system.	63.75	65.03
1.11	Alcohol volume exceeding 3.5%, individual container over 48 litres.	43.39	43.39
1.11	Alcohol volume exceeding 3.5%, individual container of 8–48 litres (inclusive) **and** designed to connect to a pressurised gas delivery system or pump delivery system.	43.39	43.39
1.15	Produced for non-commercial purposes using commercial facilities or equipment, alcohol	3.84	3.92

	volume not exceeding 3%.		
1.16	Produced for non-commercial purposes using commercial facilities or equipment, alcohol volume over 3%.	4.43	4.52

Alcohol rates for spirits and other excisable beverages

Table 2: Alcohol rates – Other excisable beverages not exceeding 10% by volume of alcohol

Tariff item Unit: $ per litre of alcohol	Description	From 2 February 2026 to 2 August 2026	From 3 August 2026
2	Other excisable beverages not exceeding 10% by volume of alcohol.	107.99	110.15

Table 3: Alcohol rates – Spirits and other excisable beverages exceeding 10% by volume of alcohol

Tariff subitem Unit: $ per litre of alcohol	Description	From 2 February 2026 to 2 August 2026	From 3 August 2026
3.1	**Brandy** (a spirit distilled from grape wine in such a	100.85	102.87

	manner that the spirit possesses the taste, aroma and other characteristics generally attributed to brandy).		
3.2	Other excisable beverages exceeding 10% by volume of alcohol.	107.99	110.15
3.5	Spirit that you have approval from us to use for fortifying Australian wine or grape must under section 77FD of the *Excise Act 1901*.	Free	Free
3.6	Spirit purchased in quantities by particular groups or professions we specified (such as pharmacists and universities) for an industrial, manufacturing, scientific, medical, veterinary or educational purpose under section 77FE of the *Excise Act 1901*.	Free	Free
3.7	Spirit that you have approval from us to use for an industrial, manufacturing, scientific, medical, veterinary or educational purpose under section 77FF of the *Excise Act 1901*.	Free	Free

3.8	Spirit denatured according to the formula we determined (except spirit used as fuel in an internal combustion engine).	Free	Free
3.10	Spirit not elsewhere included.	107.99	110.15

How rates are determined

We determine the new rates by applying the indexation factor to the most recently published rates.

The indexation factor is calculated by dividing the most recent June or December quarter CPI number (determined and published by the ABS) by the previous highest June or December quarter CPI number occurring after the June 1983 quarter.

For example, the indexation factor for August 2026 was determined by dividing the June quarter 2026 (most recent to August 2026) by the December quarter 2025 (June or December quarter with the highest value prior to June 2026; 100.32) to get 1.020.

In September 2025 the ABS began publishing monthly CPI. The previously published quarterly data has been re-referenced and aligned to the new monthly CPI series starting September 2025 (i.e. the September index is 100). This means that the June 2025 CPI index that was originally published as 143.6 has now been recalculated to 98.43 to match the new scale.

Table 4: Calculating indexation factor for August 2026

Most recent CPI number	Highest previous June or Dec quarter	Indexation factor
June 2026 quarter	December 2025 quarter	August 2026

102.31	100.32	1.020

This indexation factor is applied to the current duty rate to determine the new duty rate.

For example, the duty rate for tariff item 2 'other excisable beverages not exceeding 10% by volume of alcohol' was $107.99 for the period 2 February 2026 to 2 August 2026. This rate of $107.99 is multiplied by the indexation factor of 1.020 to determine the rate of $110.15 applicable from 3 August 2026.

Table 5: Calculating the new duty rate for August 2026 for tariff item 2

1 Feb 2026 to 2 Aug 2026	Indexation factor	Duty rate from 3 Aug 2026
$107.99	1.020	$110.15

Historical excise duty rates

The Australian Government **data.gov.au** website lists Historical excise duty rates.

QC 63605

Calculating alcohol excise duty

Work out the excise duty you need to pay on alcohol using the volume and strength of your final product.

Last updated 15 May 2023

Information for the calculations

To calculate the alcoholic content, you need to know the:

- type of excisable alcohol product (that is, beer, spirits or other excisable beverages)

- total volume of the product
- alcoholic strength of the product
- current excise duty rate applicable to that product.

Make all calculations to 2 decimal places, up to when you include the information on the excise return. On the excise return, you may:

- consolidate product lines by tariff item or sub-item
- calculate the total litres of alcohol (LAL) or each line to one decimal place.

To work out measurements, see Measuring alcohol volume and strength.

Beer – formula for excise duty

The excise duty for beer is worked out on the alcoholic content above 1.15%:

- Total volume (litres) of product × (alcohol strength – 1.15%) × current excise duty rate.

Example: calculating excise duty for beer

Brewery Co delivers 10 cases of beer, each containing 24×355 ml bottles with 5% alcohol by volume into the Australian domestic market on 8 March 2023.

The beer is classified to sub-item 1.10 in the Schedule to the *Excise Tariff Act 1921* and has a duty rate of $57.79 per litre of alcohol (as at 1 February 2023).

The duty payable is calculated as follows:

- 10 cases × 24 bottles × 0.355 litres each = 85.2 litres
- 85.2 litres × (5% – 1.15%) = 3.28 LALs.

For the purpose of calculating duty payable, the LALs are truncated to one decimal place.

The LALs are then multiplied by the relevant duty rate, in March 2023, to find out the duty payable:

- 3.2 × $57.79 = $184.92.

Spirits and other excisable beverages – formula for excise duty

The formula for calculating excise duty for spirits and other excisable beverages is:

- Total volume (litres) of product × alcohol strength × current excise duty rate.

Example: calculating excise duty for spirits

Bottler's Gin delivers 100 cartons, each containing 12×700 ml bottles of gin, at 37.2% alcohol by volume, into the Australian domestic market on 10 February 2023.

The gin is classified to sub-item 3.2 in the Schedule to the *Excise Tariff Act 1921* and has a duty rate of $97.90 per litre of alcohol (as at 1 February 2023).

The duty payable is calculated as follows:

- 100 cartons × 12 bottles × 0.7 litres each = 840.0 litres
- 840 litres × 37.2% = 312.48 LALs.

For the purpose of calculating duty payable, the LALs are truncated to one decimal place.

The LALs are then multiplied by the relevant duty rate, in February 2023, to find out the duty payable:

- 312.4 LALs × $97.90 = $30,583.96.

For more examples covering a variety of beverages, see Excise guidelines for the alcohol industry section 6.3.5 – *How do I work out the amount of duty to pay?*

Brew on premises shops – calculating excise duty

The excise duty on beer brewed at brew on premises shops (BOPS) is calculated on each batch (customer's fermenter).

Excise is payable on the full contents of each fermenter.

The excise duty on beer brewed at BOPS is lower than for commercially-brewed beer. The duty payable will vary according to the beer's strength.

For information on your excise return obligations, see Lodging and paying – excisable alcohol.

Measuring excisable alcohol volume and strength

How to measure product volume and test alcoholic strength to work out how much excise duty to pay.

QC 63603

Measuring excisable alcohol volume and strength

How to measure product volume and test alcoholic strength to work out how much excise duty to pay.

Last updated 15 May 2023

Your obligations as a manufacturer

As well as the general obligations for all excise licence holders, if you manufacture excisable alcohol products you must correctly:

- measure product volume
- test the alcoholic strength of the product.

This is so you can accurately work out how much excise duty you need to report and pay.

To work out your excise liability on an alcoholic excisable product, you need to:

- determine the volume of alcohol contained in the product
- multiply it by the relevant excise duty rate.

You work out the volume of alcohol (known as litres of alcohol, or LALs) in a product by multiplying the volume of the product by its alcoholic strength.

The volume of alcohol in excisable products is the volume of alcohol when it's measured at 20°C. You may need to make adjustments to be able to determine the volume of alcohol at 20°C.

Make sure you keep adequate records that enable you to:

- demonstrate you have met these strength and volume measurement obligations
- show how you worked out the amount of excise duty you had to pay.

For the calculations, see Calculating the excise duty payable on excisable alcohol.

How to measure volume of excisable product

The first step in working out the litres of alcohol, or LALs, in a product is to make sure you have accurate measurements of the volume of the final excisable alcohol product.

To do this, you need to:

- ensure you have an accurate measurement of the volume of the final excisable alcohol product at the point of packaging for sale
- measure the volume at 20°C (if you don't, you need to take a temperature reading so that it can be converted to 20°C).

You also need to account for the volume of your products during the manufacturing process, and:

- keep records of the volume of your product during manufacture
- be able to show us your records if we ask to see them.

Measuring and equipment

The instruments and processes that you use to measure the volume of alcoholic excisable products must:

- conform with legal requirements pertaining to measurements as administered by the National Measurement Institute (NMI)
- consistently produce an accurate result.

Examples include:

- volumetric glassware
- a tank that uses a dip-stick, tape or sight glass
- weight and density
- flow meter
- any other method that consistently produces a similar result.

We recommend that you correct the temperature to 20°C when you measure volume in the following situations:

- when you receive spirit from another premises
- when you deliver spirit to another premises
- in the header tank or bottling vat, immediately before you start packaging.

If you don't correct the reading to 20°C, you must record the actual temperature when taking your measurements.

Sampling and analysis for alcohol volume

You must take enough samples from each production or packaging run to ensure the average fill volume of the samples taken accurately reflects the average fill volume of all the containers. One sample is not enough.

You can judge what is enough by considering things like the:

- circumstances and size of the run
- consistency of the product.

Permitted variations for alcoholic volume

Small variations are permitted for the purposes of working out the excise duty liability on alcoholic excisable goods.

Dutiable volume means the volume of the product on which the excise duty is calculated.

For alcoholic excisable goods packaged in a bulk container:

- if the volume of the contents is not nominated, the dutiable volume is the actual volume of the contents
- if the volume of the contents is nominated, and
  - the actual volume of the contents does not exceed 101% of the nominated volume, the dutiable volume is the nominated volume
  - the actual volume of the contents exceeds 101% of the nominated volume, the dutiable volume is the actual volume.

For alcoholic excisable goods not packaged in a bulk container:

- if the volume of the contents is not indicated on the container, the dutiable volume is the actual volume of the contents
- if the volume of the contents is indicated on the container, and
  - the actual volume of the contents does not exceed 101.5% of the indicated volume, the dutiable volume is the indicated volume
  - the actual volume of the contents exceeds 101.5% of the indicated volume, the dutiable volume is the actual volume.

How to measure alcohol strength

The second step in working out the litres of alcohol, or LALs, in a product is to make sure you complete accurate testing of the alcoholic strength of the final excisable alcohol product, at the point of packaging for sale.

Alcoholic strength refers to the percentage of alcohol that exists, by volume, in an excisable alcohol product. When you measure the strength, you need to measure at 20°C (if you don't, you need to take a temperature reading so that it can be converted to 20°C).

You also need to account for the alcoholic strength of your products during the manufacturing process and you need to:

- keep records of the alcoholic strength of your product during manufacture
- be able to show us your records if we ask to see them.

For more information, see EXC 2019/1 *Excise (Alcoholic strength of excisable goods) Determination 2019*.

Sampling and analysis for alcohol strength

To measure the alcoholic strength of an excisable alcohol product, you need to analyse samples of the product after it has reached its final alcoholic strength.

Packaged excisable alcohol products

To analyse samples of packaged excisable alcohol products, you can either sample them:

- in the header vessel immediately before packaging
- directly from the packaging line.

Excisable alcohol in bulk containers

You can sample excisable alcohol product in bulk containers at any point after they reach final alcoholic strength.

For non-commercial beer produced at brew on premises shops (BOPS), you can use the strength you worked out from the test brews of each recipe. You don't need to sample each batch you produce. However, if you change the recipe you will need to remeasure the strength.

How to ensure accurate strength measurements

You are also required to ensure the accuracy of your strength measurements.

You must take enough samples from each production or packaging run to allow you to establish an accurate actual strength. One sample is

not enough.

You can judge what is enough by considering things like the:

- circumstances and size of the run
- consistency of the product.

For example, if beer in a single run was drawn from different final storage or packaging tanks, you should take samples from each tank so that you consider any difference in strength between the tanks. By doing this, the final average strength will be more accurate.

You should correct the temperature to 20°C when you measure strength in the following situations:

- when you receive spirit from another premises
- when you deliver spirit to another premises
- in the header tank or bottling vat, immediately before you start packaging.

If you don't correct it to 20°C, you must record the actual temperature when your measurements are done.

The alcoholic strength of a particular alcoholic excisable product is:

- the average of the strength of all the sample measurements for that product
- expressed as a percentage, by volume, of the alcohol that exists in the alcoholic beverage if the alcoholic strength were measured at a temperature of 20°C.

When you calculate volume by reference to the specific gravity of alcohol, you need to calculate on the basis that the specific gravity of alcohol in relation to water is 0.79067 (based on a temperature of 20°C and in a vacuum).

You can have your products analysed by an independent laboratory if you want to check the accuracy of your measurements. If we have concerns about your measurements, we may verify your strength analysis methods by taking samples and have them independently tested.

Measuring equipment and methods

The instruments that you use to measure alcoholic strength must conform with legal requirements for measurement as administered by the National Measurement Institute (NMI). This includes hydrometers, thermometers and weighing instruments.

You can use any of the following methods to measure alcoholic strength:

- gas chromatography
- near infra-red spectrometry
- distillation, followed by the gravimetric measurement of the distillate or by measurement in a density meter
- any other method capable of measuring the alcoholic strength to an accuracy of plus or minus 0.2 percentage points of the actual strength.

If you produce less than 100,000 litres of fermented beverages (including beer) in a financial year, you may use a hydrometer and a formula to determine the alcoholic strength of each fermented beverage. You must keep documentation that shows the formula produces accurate results.

Permitted variations for alcoholic strength

Small variations are permitted. When working out the excise duty payable on alcoholic excisable goods (excluding beer subject to secondary fermentation):

- If the actual strength does not exceed the labelled (or otherwise indicated) strength by more than 0.2 percentage points, the strength is the labelled (or otherwise indicated) strength. The tariff classification applicable to that strength applies.
- If the actual strength exceeds the labelled (or otherwise indicated) strength by more than 0.2 percentage points, the strength is the actual strength. The tariff classification applicable to that strength applies.

When working out the excise duty payable on beer subject to secondary fermentation:

- If the actual strength does not exceed the labelled (or otherwise indicated) strength by more than 0.3 percentage points, the

strength is the labelled (or otherwise indicated) strength. The tariff classification applicable to that strength applies.

- If the actual strength exceeds the labelled (or otherwise indicated) strength by more than 0.3 percentage points, the strength is the actual strength. The tariff classification applicable to that strength applies.

Example: measuring alcohol strength of brandy

Bottler Brandies take samples during their bottling run to test the strength of their brandy product. Their alcoholic strength testing shows the strength of the brandy to be 37.3% at a temperature of 20°C.

The alcoholic strength of the brandy stated on the bottle label is 37.2%, meaning that the difference between the labelled strength and the actual strength is 0.1%.

As the actual strength of the brandy does not exceed the permitted variation (tolerance) for this product of 0.2 percentage points, the strength of the bottles of brandy is accepted as being the labelled strength of 37.2% (not the actual strength).

Example: measuring alcohol strength of beer

Bevy Brewing complete a racking run of 10 kegs of beer. The beer is not subject to secondary fermentation.

Their strength testing shows the strength of the beer is 5.3% at a temperature of 20°C.

In their records, they have nominated that their kegs will be filled with beer with a strength of 5.0%. This means that the difference between the nominated strength and the actual strength is 0.3%.

The actual strength of the beer exceeds the permitted variation (tolerance) for this product of 0.2 percentage points. The strength of the beer is accepted as being the actual strength of 5.3% (not the nominated strength).

For more information on measuring alcoholic strength and volume, see:

- Excise guidelines for the alcohol industry – section 6.3.6 *Rules for measuring volume and alcoholic strength* (summary of EXC 2019/1)
- EXC 2019/1 *Excise (Alcoholic strength of excisable goods) Determination 2019*
- EXC 2019/1 *Explanatory statement*
- EXC 2019/2 *Excise (Volume Alcoholic excisable goods) Determination 2019*
- EXC 2019/2 *Explanatory statement*
- Buying and selling goods and services by weights and other measures – Department of Industry, Innovation and Science's information about the legal requirements of measurements
- Food Standards Australia New Zealand also provide information about the requirements imposed by the Australia New Zealand Food Standards Code.

QC 63604

Lodging and paying – excisable alcohol

How to lodge an excise return and pay excise duty on alcohol and alcohol products.

Last updated 5 September 2023

Who needs to lodge and pay

You need to lodge an excise return and you may need to pay excise duty if you deliver excisable products into the Australian domestic market.

What triggers an obligation to lodge and pay

Activities that trigger an obligation to lodge an excise return and pay excise duty (if required) occur when excisable goods are:

- moved out of excise-licensed premises and delivered into the Australian domestic market
- consumed at the excise-licensed premises
- given away or donated
- used for tastings with retail customers
- used for samples (except for approved samples).

If you have a periodic settlement permission (PSP), your obligations to lodge an excise return and pay excise duty (if required) will differ.

How to lodge

You should lodge your excise return using ATO online services.

Lodging your excise return online means you can:

- quickly and easily lodge online without downloading a PDF form
- only see questions that are relevant to your return
- easily submit a nil return when you have no product details to report
- have your excise duty amounts automatically calculated
- use pre-filled tariff items, after your first online lodgment
- track the amount of Remission applied if you are eligible for the Remission scheme for alcohol manufacturers (Remission scheme).
- view your lodged returns, transaction history and future lodgment due dates.

How to access the online form

To access the form using online services:

- select **Lodgments**
- select **Excise duty return**
- select the **type of return** then **Prepare**
- complete all mandatory fields and review the information
- tick the **Declaration** box and select **Submit.**

For help when completing the online form, you can:

- hover over or click the **(?)** icon for quick tips or smart help
- click on the **(?) Help** button on the right side of the screen for all Help topics.

If you need assistance to lodge online contact us.

Paying excise duty on excisable alcohol

If you have an obligation to lodge an excise return you need to:

- apply for Excise registration before lodging an excise return
- have a payment reference number (PRN).

You need to prepay your excise duty or apply to pay on a periodic settlement basis.

Excise duty is due at the same time as your excise return for all settlement periods (that is, weekly, monthly or quarterly).

Excise duty rates change regularly, so remember to apply the correct rate to each product that is delivered before and from the date you lodge your return.

For information about payment options, see How to pay.

Approved samples

You may be able to deliver small samples of excisable alcohol products without payment of excise duty if you apply to us for approval.

A small sample would normally consist of less than a saleable amount or an amount that is suitable for the purpose for which the sample is required, like testing and evaluation. For example, an excise-licensed spirit distiller providing a small sample of brandy to a winery so they can test if the brandy is suitable (age, colour and other characteristics) to use in fortifying wine.

Pre-delivery samples (that is, samples that arrive separately to the bulk goods) of product provided to customers to secure an order for that product are not considered to be 'samples' that can be approved for delivery without the payment of duty.

You don't include approved samples in your excise return. However, you must keep records of any approved samples you deliver.

For more information and how to apply for approval, see Excise guidelines for the alcohol industry section 7.3.6 – *When are excisable alcohol products exempt from excise duty?*

Prepayment of excise duty

You must lodge your excise return and prepay excise duty **before** you deliver excisable goods into the Australian domestic market, unless you have a PSP.

Once we've received payment and approved your return, we'll issue you with a written delivery authority. This allows you to physically move the goods from the excise-licensed premises and deliver them into the Australian domestic market.

To access your delivery authority using online services:

Online services for business

- select **Communication**
- select **Secure mail**
- navigate to the relevant mailbox
- click on the **Delivery Authority/Excise return** attachment and download the PDF document.

To receive an email notification that your delivery authority has been issued, add an email address in the **Notifications** field at the bottom of the secure mail inbox.

Email notifications will always be sent from our trusted email address, Taxofficeportalmessagenotify@ato.gov.au.

You can also access your delivery authority from the Excise duty return landing page:

- select **Lodgments**
- select **Excise duty return**
- select **Pre-payment**
- click on the **Delivery authority** link for the selected period.

Online services for agents

- select **Communication**
- select **Communication History**
- select **Search**
- click on the **Delivery authority** link for the selected period.

Periodic settlement permission

A PSP allows you to:

- deliver excisable goods into the Australian domestic market over a specified period (settlement period)
- defer when you lodge your excise return and where applicable, pay excise duty, until a specified date.

For each settlement period (usually weekly, monthly or quarterly), you must:

- lodge an excise return detailing the deliveries you made during the settlement period
- select if the Remission scheme applies
- if required, pay excise duty on the excisable goods.

You must lodge a return for each settlement period, even if you haven't delivered any goods in that period.

When you can get a PSP

A PSP must be applied for using the approved application form. This may be done as part of the excise licensing process. As a PSP enables an entity to effectively defer lodgment and payment to a later date, we must consider several factors before deciding whether a PSP should be granted and whether a weekly, monthly or quarterly settlement period should be allowed.

Among other things, these considerations include your overall compliance with tax obligations, for example, lodgment and payment history.

Decisions to grant or refuse to grant a PSP, allow weekly, monthly or quarterly settlement periods, condition a permission, or take a financial security to ensure compliance with the permission are determined

based on what we consider to be the risk to revenue of allowing an entity to defer the lodgment and payment of required excise duty.

Decisions in relation to PSPs are reviewable decisions and may be objected against.

If your excise-licensed premises are covered by another entity's PSP, the other entity must lodge the excise return and pay the excise duty for goods they deliver into the Australian domestic market from your excise-licensed premises.

For more information, see application for an excise periodic settlement permission.

Settlement period

For all settlement periods, payment of excise duty (if required) is due at the same time as your excise return.

Eligible for small business entity concessions

If you're eligible for small business entity concessions, you may be able to report and pay your excise obligations monthly or quarterly.

Under a monthly arrangement, you need to report and pay excise duty (if required) by the **21st** day of the month following delivery of the goods into the Australian domestic market.

For example, if you deliver goods into the Australian domestic market during September, you must report them in your September excise return. By 21 October, you must:

- lodge your September excise return
- pay the excise duty (if required).

From 1 July 2023, businesses with an aggregated turnover of less than $50 million may also be eligible to report and pay their excise obligations quarterly.

Under a quarterly arrangement, you need to report and pay excise duty:

- for a quarter ending on 31 March, 30 June or 30 September – by the 28th day after the end of the quarter

- for a quarter ending on 31 December – by the 28th day of the February after the end of the quarter.

Example: moving to a quarterly periodic settlement permission

Whisky & Gin Co are an alcohol manufacturer and currently report and pay their excise obligations monthly. As they have an aggregated turnover of less than $50 million, they may be eligible to report and pay their excise obligations on a quarterly basis.

On 10 September, they apply to change their reporting to quarterly. Their application is approved and their quarterly cycle will begin on 1 October. They will still need to lodge and pay monthly until the new quarter starts. For the quarter ending 31 December they are required to report and pay excise duty by 28 February.

Not eligible for small business entity concessions

If you're not eligible for small business entity concessions, you can apply for a specific 7-day settlement period. On the **first** business day after the end of the settlement period, you must:

- lodge your excise return
- pay the excise duty.

For more information, see CGT small business entity eligibility.

QC 63600

Refunds, drawbacks and remissions for excisable alcohol

How to claim a refund, drawback or remission on excisable alcohol.

Last updated 3 July 2024

Claim a refund

You can claim a refund of excise duty you've paid on goods delivered into the Australian domestic market in certain situations. Examples include duty paid goods:

- returned to licensed premises for further manufacture, or premises authorised by the manufacturer for destruction
- where the duty was paid by mistake
- that became unfit for human consumption before they were entered into the Australian domestic market.

A refund can't be claimed if the Remission scheme for alcohol manufacturers (Remission scheme) has been applied to the goods.

The time limits for lodging refund claims are generally:

- 12 months after the day excise duty was paid, when paid on or before 30 June 2024
- 4 years after the day excise duty was paid, when paid on or after 1 July 2024.

You can contact us to confirm timeframes if you're unsure.

Find out more on how to claim an Excise refund or drawback – remember you must keep detailed records to substantiate your claims.

If your application is approved, we will issue a refund into your nominated bank account. Any refund you receive is assessable income for income tax purposes, so you will need to include it in your tax return.

For more information, see the section 7 of the Excise guidelines for the alcohol industry.

Excise refund scheme for alcohol manufacturers

From 1 July 2021, the Refund scheme was replaced by the Remission scheme.

For more information, see the section 7 of the Excise guidelines for the alcohol industry.

Claim a drawback

You can claim a drawback of the excise duty you've paid (either directly or in the purchase price) on goods that you subsequently exported.

A drawback claim must be lodged **within 12 months** from the day after the goods are exported and must be at least $50.

A drawback can't be claimed if the Remission scheme for alcohol manufacturers has been applied to the goods.

Find out more on how to claim an Excise refund or drawback – remember you must keep detailed records to substantiate your claims.

If your application is approved, we will issue a refund into your nominated bank account. Any drawback you receive is assessable income for income tax purposes, so you need to include it in your tax return.

For more information, see the section 7 of the Excise guidelines for the alcohol industry.

Claim a remission

You may be able to apply for a remission (waiver) of the excise duty you would have had to pay on your goods if:

- your goods **can't** be delivered into the Australian domestic market, or
- you meet another remission circumstance.

This means you won't have to pay any excise duty for these goods. Find out more about excise remissions for excisable alcohol.

For more information, see the section 7 of the Excise guidelines for the alcohol industry.

QC 63606

Draft beer and cider taxation determinations

What the draft beer and cider determinations mean for you.

Last updated 7 April 2026

Determining classification of beer and cider

Our draft determinations are intended to help alcohol producers correctly decide the classification of their alcoholic beverages:

- Draft Excise Determination ED 2024/D2 *Alcohol excise: the addition of water and the integral attributes of beer for the purposes of the Excise Tariff Act 1921.*
- Draft Wine Equalisation Tax Determination WETD 2024/D1 *Wine equalisation tax: the addition of water to cider or perry.*

They set out the Commissioner's preliminary but considered view of the law and apply equally to manufacturers of both new and existing alcoholic beverages.

The draft determinations have not been finalised as we continue to consider issues raised from our community consultation. The expected finalisation date is to be confirmed.

Our view on beer

According to our view in ED 2024/D2, certain alcoholic beverages produced from a beer base, but which are not ultimately sold as a beer and are instead intended to be consumed as an alcoholic seltzer or ready-to-drink (RTD)-type product, are not subject to excise at beer rates.

This means that beer-based seltzers and beer-based RTDs that are heavily diluted with water or other substances and produced in a way that strips the beverage of its beer-like characteristics are more likely to be taxed as another excisable beverage under our view in the draft determination.

Our view on cider

According to our view in WETD 2024/D1, certain alcoholic beverages produced from the fermentation of apple or pear juice or must, that are heavily diluted with water or other substances after fermentation, may not satisfy the cider definition in the *A New Tax System (Wine Equalisation Tax) Act 1999* and are more likely to be taxed as another excisable beverage.

Applying the ATO's view

If the ATO is requested by producers to provide specific advice about beverage classification before these draft determinations are finalised, we will apply the view in the draft determinations in relation to deciding whether a beverage satisfies the definition of beer or cider in the excise or wine equalisation tax law.

In the meantime, producers can continue to self-assess their products for alcohol taxation purposes under the law. Changes to systems and business practices will not be necessary until the determinations have been finalised.

QC 105145

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

Copyright notice

© Australian Taxation Office for the Commonwealth of Australia

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).