

EXC 2016/10 -



Australian Government

Australian Taxation Office

Legislative Instrument

Excise (Denatured spirits) Determination 2016 (No. 3)

I, Deborah Jenkins, Acting Deputy Commissioner of Taxation, make this determination under the following provision:

- Subsection 77FG(1) of the *Excise Act 1901* (Excise Act).

Deborah Jenkins
Acting Deputy Commissioner of Taxation

Dated: 13 September 2016

1. Name of instrument

This determination may be cited as the *Excise (Denatured spirits) Determination 2016 (No. 3)*.

2. Legislative Instrument

This determination is a legislative instrument for the purposes of the *Legislation Act 2003* (Legislation Act).

3. Commencement

This determination commences on the day after it is registered. On commencement it replaces and repeals *Excise (Denatured spirits) Determination 2006 (No. 2)* (which expires on 1 October 2016).

4. Application

This determination applies to spirit delivered for home consumption on or after the date of commencement.

It applies to applications received on or after the date of commencement.

5. Revoking of previous instrument

Excise (Denatured spirits) Determination 2006 (No. 2) is revoked on commencement of this determination.

The new instrument is a restatement of the previous determination which is scheduled to be repealed on 1 October 2016 under the sunset provisions as prescribed in Part 4 of Chapter 3 of the Legislation Act.

6. Determination

Section 77FG of the Excise Act allows the CEO to determine a formula for denaturing spirit for the purposes of subitem 3.8 of the Excise Tariff.

Spirit denatured to the formula may be delivered into home consumption under subitem 3.8 at a free rate of duty and pass out of the CEO's control.

7. The Formula

The formula for denaturing spirit is:

*Spirit **plus** at least one denaturant listed in the Schedule at or above the minimum concentration specified.*

The minimum concentration specified in the Schedule is the minimum concentration for adding to 100% pure ethanol. If the spirit is less than 100% ethanol, the minimum concentration is to be adjusted accordingly.

Example: spirit consisting of 80% ethanol may be denatured according to the formula by the addition of 0.80% v/v n-propanol.

This determination allows licensed entities to supply ethyl alcohol that is denatured to this formula at a free rate of duty.

8. Definitions

In this determination:

CAS registry number refers to the unique number allocated to the chemical substance in the registry of the Chemical Abstracts Service, a division of the American Chemical Society.

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

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

ppm means parts per million.

v/v means volume to volume.

w/w means weight to weight.

SCHEDULE

Item	Denaturant	CAS registry number	Minimum concentration for 100% ethanol
1	acetaldehyde	75-07-0	1.0% v/v
2	n-propanol	71-23-8	1.0% v/v
3	n-propyl acetate	109-60-4	1.0% v/v
4	acetone	67-64-1	2.0% v/v
5	denatonium benzoate	3734-33-6	5 ppm
6	ethyl acetate	141-78-6	1.0% v/v
7	propylene glycol mono-methyl ether	107-98-2	1.0% v/v
8	sodium nitrite	7632-00-0	0.25% v/v
9	methyl ethyl ketone	78-93-3	0.5% v/v
10	methoxy propyl acetate	108-65-6	0.5% v/v
11	methanol	67-56-1	5.0% v/v
12	isopropanol	67-63-0	5.0% v/v
13	tertiary butyl alcohol	75-65-0	0.25% v/v
14	methyl isobutyl ketone	108-10-1	0.25% v/v
15	n-hexane	110-54-3	1.0% v/v
16	ethyl ether	60-29-7	1.0% v/v
17	propylene glycol	57-55-6	20.0% v/v
18	sodium hydroxide	1310-73-2	0.25% w/w
19	sodium molybdate	7631-95-0	0.25% w/w
20	sodium tolytriazole	64665-57-2	0.25% w/w