

Implementation of Excise Stamps on Wine and Beer

PRESENTED BY: CUSTOMS DEPARTMENT

Date: 14th March 2019

- “Presently, it is mandatory to affix tax stamps on bottles of spirits, such as whisky and rum, to combat tax evasion and smuggling. This obligation will be extended to include bottles of beer and wine with a moratorium of nine months. MRA Customs will work out the modalities in consultation with stakeholders”.
- “Provision will be made to give an allowance of – a. up to one percent for tax stamps that are damaged during the process of affixing the stamp on a bottle of spirit”; and

Regulations on affixing excise stamps on –

- alcoholic products of more than 50 ml
- wine and beer in bottle

shall come into operation on 16 September 2019.

Any person who, on 15 September 2019, has, in the course of his business –

- (a) a stock of imported or locally manufactured goods; or
- (b) goods in a bonded warehouse or Freeport zone,

Falling under item 2 of the Twelfth Schedule with respect to Headings 22.03, 22.04, 22.05 and 22.06 and Heading 22.08 in containers holding more than 50ml and less than 200ml , shall, not later than **15 March 2020**, sell or otherwise transfer or remove for home consumption, as the case may be, the goods without causing the goods to be affixed with an excise stamp.

Extension of Excise Stamps on Alcoholic Products

Actual	Proposed
<p>It is mandatory to affix tax stamps on bottles of spirits of an alcoholic strength of not less than 20 per cent and in containers holding 200ml and above</p>	<p>Tax stamps to be affixed on all alcoholic products in containers holding 50ml and above</p>

Specifications of Excise Stamps

ACTUAL - ALCOHOLIC PRODUCTS



PROPOSED - WINE AND BEER



The manufacturer of these excisable products should have the machine and equipment for affixing of these excise stamps as per the above specifications with respect to the dimension.

The excise stamps for alcoholic products differ from that of wine and beer in terms of material used for the manufacture of the excise stamps as beer and wine are basically consumed chilled.

The following bottles have been used as samples for affixing excise stamps and are refrigerated since **October 2018**



Spirits

Spirits of an alcoholic strength of not less than 0.5 per cent and in containers holding above 50 ml.

Wine

Including all types of wine manufactured under the License of Wine (**excluding Bricks and Cans**).

Beer

Bottles of any capacity (**excluding Cans, Kegs, Bricks and any other similar container**).

Manner in which excise stamps shall be affixed

Spirits

- Vertically touching both the bottle neck and the sealed cap; or in any other manner as the Director-General may direct
- In such a manner that the excise stamp with its **serial number is visible and that the bottle or container cannot be opened without tearing the excise stamp.**

Beer and wine

- To be affixed on any place on the bottle provided that **the serial number is visible**

Beer and wine imported in pack

- Number of excise stamps to be affixed on the packaging depending on the number of units within each package

SCHEDULE
[Regulations 8]

TWELFTH SCHEDULE
[Regulations 99A, 99B and 99C]

SN	Column 1	Column 2
	Excisable goods	Manner in which excise stamp shall be affixed
2.	<p>Goods falling under:</p> <p>(a) heading 22.08 of Part I of the First Schedule to the Excise Act in containers holding 50 ml and above</p> <p>(b) beer of headings 22.03 and 22.06 of Part I of the First Schedule to the Excise Act in bottles only</p>	<p>(a) Vertically touching both the bottle neck and the sealed cap or in any other manner as the Director-General may direct; and</p> <p>(b) In such a manner that the excise stamp with its serial number is visible and the bottle or container cannot be opened without tearing the excise stamp.</p> <p>In such a manner that the excise stamp with its serial number is visible –</p> <p>(a) on the bottle; or</p>

Twelfth Schedule (cntd)

	<p>(c) headings 22.04, 22.05 and 22.06 of Part I of the First Schedule to the Excise Act in bottles only</p>	<p>(b) on the container, in case the bottle is already packed and sealed within the container and put for sale as such,</p> <p><u>in</u> such manner as the Director-General may approve.</p> <p>In such a manner that the excise stamp with its serial number is visible –</p> <p>(a) on the bottle; or (b) on the container, in case the bottle is already packed and sealed within the container</p>
		<p>and put for sale as such,</p> <p><u>in</u> such manner as the Director-General may approve.</p>

Local Manufacturers

- Fill application form (Form No. 4)
- Effect Payment upon receipt of a voucher from the Excise Section
- Delivery of Excise Stamps
- Excise Stamps to be affixed prior to removal for Home Consumption

Importers

- Fill application form (Form No. 4)
- Effect Payment upon receipt of a voucher from the Excise Section
- Delivery of Excise Stamps
- Fill form of undertaking (Form No. 5)
- Upload as attached documents to Customs Declaration
- Excise Stamps to be affixed within 15 days from time of clearance of the products
- Return Part B of the Form No. 5 to the Excise Section within two (2) weeks from the time of clearance of the alcoholic products

A monthly return to be submitted by all importers/ excise operators by 7th day of the following month.

Information to be submitted on Monthly Return:

- Quantity Purchased
- Quantity Used (Production / Excise / Imported - Bond)
- Quantity Damaged and accounted
- Quantity Damaged and unaccounted
- Closing stock

Excise Stamp shall not apply to excisable goods where they are -

- (a) intended for export;
- (b) used as ship's stores;
- (c) entered into a Freeport zone under the Freeport Act 2004;
- (d) intended for sale in a duty-free shop under the Customs Act;
- (e) intended for sale to visitors, departing citizens of Mauritius or a master or members of a crew leaving for a foreign airport or port in a shop under the Deferred Duty and Tax Scheme under the Customs Act;
- (f) Imported directly by diplomatic missions, or delivered from a bonded warehouse to diplomatic missions and agents, for their exclusive use.

Section 99 C (4)

Any excise stamp spoiled or damaged shall be returned to the Director-General by the manufacturer or importer.

Section 99 C (5) (b)

Any excise stamp accounted as spoiled or damaged by the manufacturer or importer, but **not returned** to the Director-General, shall be deemed to have been used and shall attract –

- (i) duty, excise duty and taxes based on the highest rate applicable to such excisable goods cleared or removed for home consumption during the last calendar quarters by reference to their alcoholic strength, volume and value.

Provision will be made to give an allowance of **up to one percent (1%)** for tax stamps that are damaged during the process of affixing the stamp on a bottle of spirit.

In the forthcoming Budget Proposals, Excise Stamps or alternative to the excise stamps shall be introduced on cans for alcoholic products, beer, wine, etc



Thank you

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