Excise Information Sheet authorisation and licensing requirements for rectifiers and compounders

Excise Info Sheet 11/12

1.1 Who is a rectifier and do I need to be licensed as one?

You are a rectifier if you re-distil spirits (with or without flavouring ingredients).

You **must** hold a rectifier's licence if you are a rectifier or compounder and keep a still for the purpose.

1.2 Who is a compounder and do I need to be licensed as one?

You are a compounder if you combine or mix plain spirits or previously compounded spirits with any other substance, except water, so as to distinctly alter the character or flavour of the plain spirits or compound spirits, producing a new compounded spirit.

You **must** hold a compounder's licence if you do not have a rectifier's licence and you manufacture (by compounding):

- alcoholic liquors, other than mixed drinks solely for consumption on the premises and 'coolers' which are made wines as defined by the Alcoholic Liquor Duties Act 1979
- ingredients (for example essences, bitters) for incorporation in alcoholic liquors (either in their manufacture or as a mixer)

You do **not** need a compounder's (or rectifier's) licence if, in compounding spirits, you manufacture only:

- foodstuffs produced solely for consumption on the premises
- food products, such as liqueur chocolates or the liquid fillings that are put into them
- flavouring essences of the types used solely in confectionery or other food, mineral waters or medicines
- medicines

perfumes

1.3 How do I apply for a rectifier's or compounder's licence?

You apply for a rectifier's or compounder's licence by sending a completed form L5 to the National Registration Unit (NRU) in Glasgow (their address is at the top of the form). You can obtain the form by calling the Helpline (Tel 0845 010 9000) or from the website by following the link below

L 5 - Application for a licence to carry on an excise trade

There is no charge for the licence.

1.4 Are there penalties for rectifying or compounding without an excise licence?

Yes. You may also be liable to a penalty if you give HM Revenue & Customs (HMRC) inaccurate information, whether in your licence application or otherwise. If you have not applied for a licence when you should have done, you must let HMRC know without delay.

There is more information on penalties at:

New penalties

You have the right to appeal if HMRC impose such a penalty. There is information about appealing at:

How to appeal against an HMRC decision - indirect tax

1.5 Do I have to do anything else?

Yes. Unless you are operating in an excise warehouse, you will also have to 'make entry' of the premises and plant that you intend to use before you start operations.

If you are operating in an excise warehouse, you must also meet the requirements set out in Notice 196 'Excise goods: Authorisation of warehousekeepers, approval of premises and registration of owners' and Notice 197 'Excise goods: Receipt into and removal from an excise warehouse of excise goods'.

1.6 How do I 'make entry' of premises and plant?

You must complete the appropriate form (see below) and return it to the National Registration Unit. The forms are available on the website or from the Helpline (Tel 0845 010 9000).

EX 103 Excise Entry for private trader/sole proprietor

EX 103A Excise Entry for incorporated company