



Notification Number: 2017/589/UK

The Soft Drinks Industry Levy Regulations 2017

Date received : 19/12/2017

End of Standstill : 20/12/2017

Fiscal Measures : Yes

Message

Message 001

Communication from the Commission - TRIS/(2017) 03286

Directive (EU) 2015/1535

Notificación - Oznámení - Notifikation - Notifizierung - Teavitamine - Γνωστοποίηση - Notification - Notification - Notifica - Pieteikums - Pranešimas - Bejelentés - Notifika - Kennisgeving - Zawiadomienie - Notificação - Hlásenie-Obvestilo - Ilmoitus - Anmälan - Нотификация : 2017/0589/UK - Notificare.

No abre el plazo - Nezahtuje odklady - Fristerne indledes ikke - Kein Fristbeginn - Viivituste perioodi ei avata - Καμμία έναρξη προθεσμίας - Does not open the delays - N'ouvre pas de délais - Non fa decorrere la mora - Neietekmē atlikšanu - Atidėjimai nepradedami - Nem nyitja meg a késések - Ma' jiftaħ il-perijodi ta' dawmien - Geen termijnbegin - Nie otwiera opóźnień - Não inicia o prazo - Neotvorí oneskorenia - Ne uvaja zamud - Määräaika ei ala tästä - Inleder ingen frist - Не се предвижда период на прекъсване - Nu deschide perioadele de stagnare - Nu deschide perioadele de stagnare.

(MSG: 201703286.EN)

1. Structured Information Line

MSG 001 IND 2017 0589 UK EN 19-12-2017 UK NOTIF

2. Member State

UK

3. Department Responsible

Department for Business, Energy & Industrial Strategy
Europe Directorate
1 Victoria Street
London, SW1H 0ET

Email: technicalregulations@beis.gov.uk

3. Originating Department

HM Revenue & Customs
Indirect Tax Project Team



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London, SW1A 2BQ

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4. Notification Number

2017/0589/UK - C50A

5. Title

The Soft Drinks Industry Levy Regulations 2017

6. Products Concerned

(1) Packaged beverages that:

- (a) are of an alcoholic strength not exceeding 1.2% ABV;
- (b) contain added sugar from a source other than fruit juice, vegetable juice or milk; and
- (c) contain at least 5 grams of sugar per 100 millilitres.

(2) Packaged liquids that, when prepared by the addition of water, crushed ice or carbon dioxide, would constitute a beverage satisfying conditions (1)(a)-(c) above.

Milk-based drinks, milk substitute drinks, alcohol substitute drinks and soft drinks used for medical or nutritional purposes are exempt from the levy.

7. Notification Under Another Act

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8. Main Content

The Soft Drinks Industry Levy (the Levy) is a charge on packaged soft drinks falling within the description given at section 6 above. The primary legislation for the Levy has previously been notified under Notification Number 2017/162/UK. This notification concerns the regulations supplementing that primary legislation.

The Regulations contain technical specifications in that they:

- (a) specify the method for determining, in certain circumstances, the dilution ratio of liquids that are made up to be chargeable soft drinks; and
- (b) detail the scope of the exemptions enjoyed by fruit and vegetable juices, milk, milk-based drinks, milk substitute drinks, alcohol substitute drinks and soft drinks used for medical or nutritional purposes.

9. Brief Statement of Grounds

Sugar-sweetened soft drinks have been identified by public health experts as a major contributor to sugar consumption and an important factor in childhood obesity. Consuming one full-sugar 330mL can of cola takes a child over their recommended daily intake of sugar. These drinks generally represent empty calories, and are a leading contributor to sugar intakes for children and adults.

Obesity also has costs to society. The estimated indirect cost to the UK economy from obesity is between £27 billion and £46 billion. The direct cost to the NHS includes £6.1 billion a year on overweight and obesity-related ill health and £8.8 billion for type 2 diabetes.



The Levy is explicitly aimed at encouraging producer-led behaviour change. The levy is designed so that, if producers bring down the sugar content in their products, reduce portion sizes and help customers to choose low sugar and sugar-free brands, then they can pay less or no levy.

Wherever practicable, the regulations have been drafted to reflect or incorporate the terms of existing technical specifications (including EU Regulations) for soft drinks to ensure that the measures adopted are proportionate and impose no greater additional restrictions than are necessary to achieve the purposes of the Levy.

10. Reference Documents - Basic Texts

No Basic Text exists

11. Invocation of the Emergency Procedure

No

12. Grounds for the Emergency

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13. Confidentiality

No

14. Fiscal measures

Yes

15. Impact assessment

An impact assessment for the primary legislation was prepared and included in notification 2017/162/UK. No separate impact assessment has been prepared for these regulations. Some of the revenue forecasts contained in that document are out-of-date due to industry engaging in reformulation activities at a greater rate than expected, but the other aspects of the impact assessment remain accurate.

16. TBT and SPS aspects

TBT aspect

No - The draft is not a technical regulation nor a conformity assessment

SPS aspect

No - The draft is not a sanitary or phytosanitary measure

European Commission

Contact point Directive (EU) 2015/1535



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GROWTH DIRECTORATE-GENERAL

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Prevention of Technical Barriers

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