

## EXCISE DUTY ON SUGAR CONTENT OF SUGAR SWEETENED PRODUCTS

As mentioned at paragraph 291 of the Budget Speech 2020-2021 and paragraph A.4.(a) of Part A of the Annex to the Budget Speech 2020-2021, excise duty on sugar content is being extended on locally manufactured and imported **non-staple sugar sweetened products**.

This measure shall come into operation on **1st November 2020**.

1. The Excise Act has been amended accordingly in the Finance (Miscellaneous Provisions) Act 2020 to cater for:
  - (i) a new definition for “sugar sweetened products” which reads as follows –

“*sugar sweetened products*” means –

    - (a) *non-alcoholic beverages containing sugar, including juices, milk-based beverages and soft drinks; and*
    - (b) *non-staple sugar sweetened food products,*”
  - (ii) the classification and the rate of excise duty applicable on “*sugar sweetened products*” which shall be as per the Sixth Schedule of the Finance (Miscellaneous Provisions) Act 2020. Below is a non-exhaustive list of common “sugar sweetened products” concerned with this measure:

*Pastries; sugar confectionery (e.g. sweets, candies, chewing gums, fruit jellies); chocolates; biscuits; waffles and wafers; ice creams; jams, fruit jellies, marmalades, fruit or nut purées and fruit or nut pastes; fruits, nuts, fruit-peels and other parts of plants preserved by sugar (including drained, glacé or crystallised); rusks, toasted breads and similar toasted products; food preparations of flour, groats and malt extract such as mixes and doughs for the preparation of bakers’ ware and custard powder; ovaltine; cereal products; crispbreads, gingerbreads, etc.*
  - (iii) an excise licence for “Importer or manufacturer of sugar sweetened products” under Part I of the Second Schedule to the Excise Act.

Consequently, the definition of “sugar sweetened non-alcoholic beverages” and the licence of “Importer or manufacturer of sugar sweetened non-alcoholic beverages” shall be repealed as from 1st January 2021.

2. The rate of excise duty on non-staple sugar sweetened food products, whether imported or locally manufactured, is **6 cents per gram of sugar**.
3. All local manufacturers and importers of non-staple sugar sweetened food products are required to –
  - (i) be duly registered as Economic Operators dealing in Excisable Products by submitting a duly filled registration form: **MRA/CUS/TFCC/REG/EO06**.
  - (ii) make an application for a Part I excise licence of “Importer or manufacturer of sugar sweetened products” by submitting a duly filled application form: **MRA/CUS/EX/Form 7**, and
  - (iii) submit the duly filled forms under paragraphs (i) and (ii) to the Excise Section, MRA Customs, Custom House, Mer Rouge, Port Louis.

The above mentioned forms **MRA/CUS/TFCC/REG/EO06** and **MRA/CUS/EX/Form 7** can be downloaded from the MRA website: [www.mra.mu](http://www.mra.mu).

4. Paragraph 3 shall not apply to existing holders of licence of “Importer or manufacturer of sugar sweetened non-alcoholic beverages”. However, existing holders should renew their excise licence for 2021 as “Importer or manufacturer of sugar sweetened products”.
5. Licensed manufacturers and registered importers of “**sugar sweetened products**” under the Excise Act need to submit a bill of entry with specified documents (if any) and document(s) certifying the sugar content for each non-staple sugar sweetened food product.

For further information and assistance on this matter, you may contact the Excise Section of the Customs Department on 202 0500.

