



# ***ED 2024/D1W - Alcohol excise: the addition of water to beer***

 This cover sheet is provided for information only. It does not form part of *ED 2024/D1W - Alcohol excise: the addition of water to beer*

 This document has changed over time. This is a consolidated version of the ruling which was published on *28 August 2024*



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# Notice of Withdrawal

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## Draft Excise Determination

### Alcohol excise: the addition of water to beer

Draft Excise Determination ED 2024/D1 is withdrawn with effect from today.

1. ED 2024/D1, which issued on 12 June 2024, explained the Commissioner's preliminary view on how much water can be added to beer before the final beverage no longer met the definition of 'beer' in the Schedule to the *Excise Tariff Act 1921*.
2. ED 2024/D1 has been withdrawn and replaced by Draft Excise Determination ED 2024/D2 *Alcohol excise: the addition of water and the integral attributes of beer for the purposes of the Excise Tariff Act 1921*, which issued today. The revised draft Determination elaborates on the view expressed in ED 2024/D1, by providing further clarity on the:
  - ability for conventional medium-strength to low-strength beer to satisfy the beer definition, even though water may be added to it during the production process, provided the final beverage exhibits the integral attributes normally associated with beer as specified in the beer definition in the Schedule to the *Excise Tariff Act 1921*
  - limits to the quantity of unfermented substances (for example, water and flavours) that can be added to a beer base before the beverage will no longer meet the beer definition, particularly where the final beverage produced by the addition of water or flavours is not intended to be consumed as conventional beer.
3. ED 2024/D2 has been issued to address concerns raised by industry stakeholders in respect of ED 2024/D1, and to allow a further opportunity for feedback.

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**Commissioner of Taxation**  
28 August 2024

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ATO references

NO: 1-Y1G8HVN  
ISSN: 2205-6211

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