



TAX & CUSTOMS  
ADMINISTRATION

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# ALCOHOL & WINE PRODUCTS

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GUIDANCE COMMUNICATION FOR ECONOMIC  
OPERATORS - **EFFECTIVE 1 APRIL 2026**

EXCISE DUTY ACT – BUDGET MEASURES as published by Bill No 155 on October 28th, 2025 - AN ACT to implement Budget Measures for the Financial Year 2026 and other administrative measures..

This communication is issued for guidance purposes only and does not constitute legal advice. Economic operators are advised to consult the relevant legislative texts and, where necessary, seek independent legal or tax advice. For queries, please contact the Excise Duty Unit of the MTCA.

## 1. Purpose and Scope

This communication is addressed to all economic operators involved in the production, importation, warehousing, wholesaling and distribution of alcohol and alcoholic beverages, wines (including Bag-in-Box wine), beer and intermediate products subject to excise duty under the Excise Duty Act (Cap. 382). It covers all changes in the Budget Measures Bill No 155 that affect alcohol operators across Parts B (ethyl alcohol, fermented beverages), E (beer), F (wine) and new Part FA (Bag-in-Box wine) of the Sixth Schedule.

All provisions enter into force on 1 April 2026.

## 2. Terminology Update – ‘Excise Stamp’

Throughout the Act and all Schedules, ‘band’, ‘band or stamp’, ‘band or excise stamp’, ‘bands’ and ‘excise duty bands’ are replaced with the uniform term ‘excise stamp’. Operators should update internal documentation accordingly.

## 3. Excise Stamps – Revised Obligations and Timeframes (Parts B and F)

### 3.1 Purchase and Affixation Deadlines

The following mandatory timelines now apply to the purchase and affixation of excise stamps for alcohol and wine products:

<b>Purchase Deadline</b>	<i>Excise stamps must be purchased within 5 working days from the date of entry into Malta of the excisable goods (except where the authorised tax warehouse keeper is responsible for affixation).</i>
<b>Affixation Deadline</b>	<i>The excise stamp must be affixed to the goods within 5 working days from the date of purchase (except where the authorised tax warehouse keeper is responsible for affixation).</i>

These deadlines apply to registered consignors, registered consignees, registered merchants, certified consignors and certified consignees. The authorised tax warehouse keeper has a separate obligation when removing goods from the warehouse.

### 3.2 Excise Stamp Penalties (Alcohol and Wine Products)

Offence / Trigger	Conviction Penalty	Penalty in lieu of Criminal Proceedings
Failure to purchase excise stamp within 5 working days of entry into Malta	€150 fine + forfeiture of goods	€100 + forfeiture of goods
Failure to affix excise stamp within 5 working days of purchase	€200 fine + forfeiture of unaffixed stamps and goods	€150 + forfeiture of unaffixed stamps and goods
Authorised tax warehouse keeper removes goods from warehouse without stamp affixed	€300 fine + forfeiture of stamps that should have been affixed + forfeiture of goods	€250 + forfeiture of stamps + forfeiture of goods
Any person (other than authorised) found in possession of excise stamps	€300 fine + forfeiture of stamps + forfeiture of goods	€250 + forfeiture of stamps + forfeiture of goods

**Penalty in lieu of Criminal Proceedings**

*In all cases where the Commissioner imposes a penalty in lieu of Criminal Proceedings (where the offender admits), forfeiture of goods is also carried out in accordance with applicable law. No court proceedings are instituted in these cases.*

## 4. Excise Duty Rate Change – Spirit-Based Flavoured Beverages

The Fifth Schedule to the principal Act has been amended to change the excise duty rate applicable to spirit-based flavoured beverages of an alcoholic content over 1.2% but not exceeding 7%. These products were previously subject to a separate, higher rate and are now brought into line with the standard ethyl alcohol rate.

Product	Previous Rate	New Rate (from 1 April 2026)
Ethyl alcohol, excluding spirit-based flavoured beverages of an alcoholic content over 1.2% but not exceeding 7%	€0.14 per % vol. per litre	€0.136 per % vol. per litre (unchanged)
<b>Spirit-based flavoured beverages of an alcoholic content over 1.2% but not exceeding 7%</b>	<b>€0.42 per % vol. per litre</b>	<b>€0.136 per % vol. per litre (standard rate)</b>

<b>Impact on Operators</b>	<i>Spirit-based flavoured beverages with alcoholic strength over 1.2% but not exceeding 7% (such as alcopops and ready-to-drink spirit mixers) are now taxed at the same rate as standard ethyl alcohol: €0.136 per % vol. per litre, down from €0.42 per % vol. per litre. Operators dealing in these products should recalculate their duty liability with effect from 1 April 2026 and update their duty accounting systems accordingly.</i>
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## 5. Monthly Statements and Payments

### 5.1 Alcohol and Alcoholic Beverages – Part B (Tax Point and Statement)

The authorised tax warehouse keeper must submit a monthly statement to the Commissioner within 15 days from the end of each accounting period. The statement must include:

- Quantity in litres of spirit produced, specifying alcoholic strength and type
- Quantity of alcoholic products produced, specifying type, strength and whether from dilution, blending or other process
- Yield of each bottling operation (number and capacity of bottles)
- Quantity of bulk spirits in stock at end of period (type and strength)
- Quantity of packaged alcoholic products in stock at end of period
- Quantity sold or removed from the authorised tax warehouse during the period
- Quantity introduced into the authorised tax warehouse during the period (source, type and strength)
- Quantity removed, specifying whether released for local consumption, export or otherwise

### 5.2 Beer – Part E (Change to Monthly Accounting Period)

The accounting period for brewers has changed from six (6) months to one (1) calendar month. This is a significant operational change. Brewers must now:

- Submit a monthly production and sales statement within 15 days from the end of each calendar month, together with a report on production, stocks and sales of beer specifying the information in Schedule II of Part E.

- Submit payment of excise duty monthly as prescribed in Regulation 16(2) of Part A.

<b>Action Required</b>	<i>Brewers who previously submitted statements semi-annually must immediately update their accounting and compliance processes to reflect the new monthly cycle.</i>
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### 5.3 Wine – Part F (Monthly Statements)

The accounting period for wine operators has been standardised to align with Part A. The authorised tax warehouse keeper must submit an audited monthly statement within 15 days of the end of each accounting period, providing all required information on production, stocks and sales of wines.

### 5.4 Late Statement and Late Payment Penalties (Applicable Across All Alcohol Parts)

Offence / Trigger	Conviction Penalty	Penalty in lieu of Criminal Proceedings
Failure to submit statement within 15 days of end of accounting period	Up to €25,000 (if not submitted within 3 months)	€100 per month or part thereof from the 16th day until submission (max 3 months). If offender admits criminal offence: €2,000 + mandatory submission.
Failure to pay excise duty within 15 days of statement submission	Fine per Article 16 of the Act	€100 per month or part thereof from the 16th day until payment (max 3 months). If offender admits criminal offence: penalty per Article 16A of Act + mandatory payment.

## 6. Release of Alcohol and Wine Products

### 6.1 Release on Proof of Payment

The Commissioner shall release withheld alcohol or wine products where satisfied that all excise duty, import duty and any other taxes due in respect of those goods were paid in accordance with the law prior to the initial inspection. Any quantity so released must comply with all applicable requirements of the Act.

These release provisions (based on new Regulations 13A and 13B of Part A) apply mutatis mutandis to ethyl alcohol, fermented beverages and intermediate products (Part B), and to wine products (Part F, new Regulation 14).

## 6.2 Goods Withheld for Non-Compliance

Any quantity of ethyl alcohol, fermented beverages, intermediate products or wine products found in the possession of any person in breach of the applicable regulations shall be withheld and the provisions of Article 27 et seq. of the Act shall apply. Any unaffixed excise stamps found in breach of the regulations shall also be withheld.

## 7. New Part FA – Bag-in-Box Wine Regulations

A new Part FA has been inserted into the Sixth Schedule introducing a dedicated regulatory framework for Bag-in-Box wine. All economic operators dealing in Bag-in-Box wine must comply with the following provisions.

### 7.1 Definitions (Part FA, Regulation 2)

Key terms for Part FA:

- ‘Bag-in-Box unit’: a packaging format for wine comprising a flexible inner bag contained within a rigid outer box.
- ‘Economic operator’: any natural or legal person engaged in the production, bottling, acquisition, importation or distribution of wine chargeable with excise duty.
- ‘Excise stamp’: an excise duty stamp issued or approved by the Commissioner in accordance with the Act and any regulations made thereunder.

### 7.2 Mandatory Excise Stamp on Bag-in-Box Wine

Every unit of Bag-in-Box wine intended for retail sale or commercial distribution, regardless of origin, must bear a single excise stamp affixed in accordance with the Commissioner’s instructions. No notification is required when the product is sold in its original Bag-in-Box format without bottling.

### 7.3 Bottling Operations – Procedure

An economic operator who intends to bottle wine from a Bag-in-Box unit must follow this procedure:

- Step 1: Apply for an excise stamp for each original Bag-in-Box unit, submitting required documentation (invoice, declaration and proof of lawful acquisition).
- Step 2: On approval, notify the Commissioner of the intention to carry out bottling, specifying container sizes (500ml or 1L only) and the number of bottles to be produced per Bag-in-Box unit.
- Step 3: Request additional excise stamps in proportion to the declared number of bottles, in such form as the Commissioner prescribes.

## 7.4 Requirements for Bottled Wine

Wine derived from Bag-in-Box units must be bottled exclusively in screw-cap sealed containers. The use of cork or any other sealing mechanism is strictly prohibited. Container sizes are limited to 500ml or 1 litre. No other sizes are permitted.

## 7.5 Locally Sourced Bag-in-Box Wine

Where an economic operator acquires Bag-in-Box wine from a local authorised source, the operator must provide the Commissioner with:

- a valid invoice issued by the supplier; and
- photographic or documentary evidence of the excise stamp affixed to the Bag-in-Box unit, including the visible serial number.

The operator must also notify the Commissioner of the intention to bottle, the number of bottles and the container sizes.

## 7.6 Excise Stamp Issuance and Endorsement

Additional excise stamps are collected by the economic operator from the issuing office or authority designated by the Commissioner. Stamps must be endorsed and validated before affixation to bottled containers. No administrative or service fee is charged for endorsement beyond the cost of the stamp itself. The Commissioner may delegate endorsement functions to an external entity; endorsements by such an entity have the same legal validity as those issued directly by the Commissioner.

## 7.7 Offences Under Part FA

Any person who breaches these regulations is guilty of an offence under the Act. Any economic operator who bottles or places wine from Bag-in-Box units on the market in breach of these regulations, or without the designated excise stamps, is liable to the penalties, sanctions and forfeitures provided under the Act.

## 8. Action Required

- Spirit-based flavoured beverages (over 1.2% to 7% ABV): recalculate excise duty liability at the new rate of €0.14 per % vol. per litre (reduced from €0.42) with effect from 1 April 2026 and update duty accounting systems.
- Brewers: immediately update reporting calendars from semi-annual to monthly statements, due within 15 days of end of each calendar month.
- All alcohol warehouse keepers: ensure monthly statements are submitted within 15 days of month-end and payments made within 15 days of statement submission.
- All operators: adopt the new uniform term 'excise stamp' across all internal documentation.
- Review excise stamp purchase and affixation procedures to comply with the new 5-working-day timelines.
- Bag-in-Box wine operators: implement the pre-notification, stamp application and bottling procedures before commencing any bottling operations; ensure only 500ml or 1L screw-cap containers are used.
- Wine producers sourcing locally from Bag-in-Box: retain supplier invoices and photographic evidence of the excise stamp serial number for each unit.



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