



# Could you be selling illicit alcohol without realising it?

Information for businesses that make retail sales of alcohol

## What is illicit alcohol?

**Illicit alcohol** is an alcohol product being offered for sale when the required excise or customs duty has not been paid.

**These duties** are types of taxes paid on **beer, spirits and other excisable alcoholic beverages (but not wine)**.

Businesses that manufacture, import or store alcohol are responsible for ensuring that duty is correctly paid before they sell it to you.

**If they don't do this, they are breaking the law and putting your business at risk for their own gain.**

## What's the risk for your business if duty isn't paid?

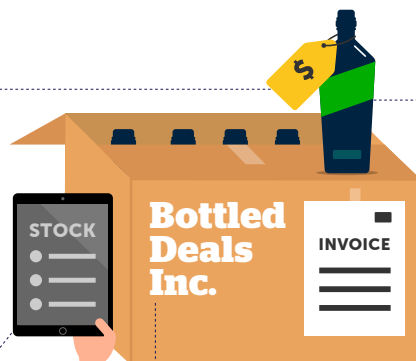
Offering alcohol for sale that has not had the required duty paid on it is illegal.

**If you offer illicit alcohol for sale – even unknowingly – both you and the supplier could face penalties, including having to pay up to five times the amount of duty that should have been paid.**

## How to avoid buying illicit alcohol

### Check the price

- Is the wholesale price realistic? It might be cheap because duty hasn't been paid.
- Beware of alcohol offered as 'bonus stock' to substantially reduce the overall price.



### Check the labelling

- Does the labelling seem unusual or incorrect?
- Check for irregularities with details like the country of origin, supplier details, lot identification, barcode, and tampered lot codes.

### Know your stock

- Understand how much duty should be paid by checking the duty rates for alcohol information on our website.
- Does the product you've received look genuine?
- Be alert to unusual variations from your supplier. If in doubt, check.

### Check the supplier's details

- Verify the credentials of new suppliers – consider checking if they hold an excise manufacturer or storage licence.
- If buying direct from a manufacturer, check **ABN Lookup** to see if they are a legitimate business.

### Check the invoice details

- The amount of product should match what was delivered.
- Look for missing, vague or incorrect product descriptions.

## Next steps

[ato.gov.au/illicitalcoholretail](https://ato.gov.au/illicitalcoholretail) – to find out more.  
[ato.gov.au/ExciseContactUs](https://ato.gov.au/ExciseContactUs) – if you have any questions or think you may have purchased illicit alcohol.  
[ato.gov.au/tipoffform](https://ato.gov.au/tipoffform) – to confidentially report anyone you suspect is doing the wrong thing.

Wine is not covered by this fact sheet.  
To learn more about tax on wine, visit [ato.gov.au/WET](https://ato.gov.au/WET)

This publication was current at May 2021.  
© Australian Taxation Office for the Commonwealth of Australia