



# Finance Act 2017

## 2017 CHAPTER 10

### PART 2

#### SOFT DRINKS INDUSTRY LEVY

##### *Introductory*

#### **26 “Soft drink” and “package”**

(1) “Soft drink” means—

- (a) a beverage of an alcoholic strength not exceeding 1.2%;
- (b) a liquid which, when prepared in a specified manner, constitutes a beverage within paragraph (a);
- [<sup>F1</sup>(c) a liquid flavouring (a “flavour concentrate”) which, when processed in a specified manner in a dispensing machine, constitutes a beverage within that paragraph.]

(2) A liquid is prepared in a specified manner if it is—

- (a) diluted with water,
- (b) combined with crushed ice, or processed so as to create crushed ice,
- (c) combined with carbon dioxide, or
- (d) prepared by way of a process that involves any combination of the processes mentioned in paragraphs (a) to (c).

[<sup>F2</sup>(2A) A flavour concentrate is processed in a specified manner if—

- (a) it is combined with added sugar ingredients, with or without—
  - (i) artificial sweeteners, or
  - (ii) one or more other flavour concentrates; and
- (b) the flavour concentrate (or combination) is prepared in a specified manner.

(2B) A “dispensing machine” is a machine designed to—

- (a) combine, process or prepare ingredients so as to produce a beverage, and

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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2017, Section 26. (See end of Document for details)*

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- (b) supply the beverage directly to a consumer.
- (2C) In subsection (2A)(a), “added sugar ingredients” means anything within paragraph (a) or (b) of section 29(2).]
- (3) A person “packages” a soft drink if the person cans, bottles or otherwise packages the soft drink in a form in which—
- (a) in the case of a soft drink within subsection (1)(a), it is suitable to be consumed without further preparation,<sup>F3</sup>...
  - (b) in the case of a soft drink within subsection (1)(b), it is suitable to be consumed when prepared in a specified manner (and without any other preparation),<sup>F4</sup>and
  - (c) in the case of a soft drink within subsection (1)(c)—
    - (i) it is suitable to be consumed when processed in a specified manner in a dispensing machine (and without any other processing or preparation), and
    - (ii) it is ready for use in a dispensing machine;]
- and “packaged” is to be construed accordingly.

#### Textual Amendments

- F1** S. 26(1)(c) inserted (in relation to soft drinks that are packaged in, or imported into, the United Kingdom on or after 1.4.2023) by [Finance \(No. 2\) Act 2023 \(c. 30\)](#), [Sch. 21 paras. 2\(2\)](#), 8
- F2** S. 26(2A)-(2C) inserted (in relation to soft drinks that are packaged in, or imported into, the United Kingdom on or after 1.4.2023) by [Finance \(No. 2\) Act 2023 \(c. 30\)](#), [Sch. 21 paras. 2\(3\)](#), 8
- F3** Word in s. 26(3)(a) omitted (in relation to soft drinks that are packaged in, or imported into, the United Kingdom on or after 1.4.2023 ) by virtue of [Finance \(No. 2\) Act 2023 \(c. 30\)](#), [Sch. 21 paras. 2\(4\)\(a\)](#), 8
- F4** S. 26(3)(c) and word inserted (in relation to soft drinks that are packaged in, or imported into, the United Kingdom on or after 1.4.2023) by [Finance \(No. 2\) Act 2023 \(c. 30\)](#), [Sch. 21 paras. 2\(4\)\(b\)](#), 8

#### Commencement Information

- I1** S. 26 in force at 6.4.2018 by [S.I. 2018/464](#), [art. 2\(e\)](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2017, Section 26.