

DISTILLATION.

No. 74 of 1956.

An Act to amend the *Distillation Act 1901-1954*.

[Assented to 29th October, 1956.]

BE it enacted by the Queen's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

1.—(1.) This Act may be cited as the *Distillation Act 1956*.

Short title
and citation.

(2.) The *Distillation Act 1901-1954** is in this Act referred to as the Principal Act.

(3.) The Principal Act, as amended by this Act, may be cited as the *Distillation Act 1901-1956*.

2. This Act shall come into operation on the day on which it receives the Royal Assent.

Commencement.

3. After section fifty-seven of the Principal Act the following sections are inserted in Part VIA. :—

“57A. This Part applies to and in relation to the fortification of Australian wine with spirit—

Application
of Part.

- (a) which is subject to the control of the Customs; or
- (b) in respect of which an entry, specifying that the spirit is for use for fortifying Australian wine, has been made.

“57B. In this Part, ‘matured wine spirit’ means—

Definition.

- (a) spirit distilled wholly from wine, the fermented juice of fresh grapes, by a pot-still or similar process at a strength not exceeding forty per centum over proof; or
- (b) spirit distilled wholly from wine, the fermented juice of fresh grapes, being blended spirit containing not less than twenty-five per centum of spirit of the kind referred to in the last preceding paragraph,

being, in either case, spirit that has been matured, while subject to the control of the Customs, by storage in wood for a period of not less than two years.”

* Act No. 8, 1901, as amended by No. 21, 1906; No. 34, 1918; No. 9, 1923; No. 13, 1925; No. 3, 1931; No. 8, 1934; No. 86, 1947; No. 80, 1950; No. 54, 1952; and No. 55, 1954.

Maximum
strength of
wine.

4. Section fifty-nine of the Principal Act is amended by omitting sub-sections (1.) and (2.) and inserting in their stead the following sub-sections :—

“(1.) Subject to this section, Australian wine shall not be fortified—

(a) so as to contain more than forty per centum of proof spirit ;
or

(b) with any other spirit than pure wine spirit of a strength not less than thirty per centum over proof.

“(2.) Australian wine may be fortified with matured wine spirit of a strength not less than proof, the flavouring and colouring matter (if any) in which are of kinds approved by the Collector for the purposes of this sub-section and do not cause obscuration of the strength of the wine spirit exceeding three per centum proof spirit.

“(2A.) Australian wine may be fortified with pure wine spirit, not being matured wine spirit, of a strength less than thirty per centum over proof if—

(a) the strength of the spirit is not less than ten per centum over proof ; and

(b) the Collector is satisfied that the wine is to remain under the control of the Customs for a period of not less than two years after the date of its last fortification with spirit of that kind.

“(2B.) Australian wine that has been fortified with pure wine spirit of the kind referred to in the last preceding sub-section shall not be removed from the control of the Customs within a period of two years after the date of its last fortification with spirit of that kind.”.

5. After section seventy-seven of the Principal Act the following section is inserted :—

Removal of
spirits when
licence ceases
to be in force.

“ 77A. Where a licence has, by virtue of section fifteen of this Act, ceased to be in force or has been cancelled, or a licence has expired and has not been renewed, a person shall not, except by authority, remove, or cause to be removed, spirits on which duty has not been paid from the premises that were, under the licence, the licensed premises of the holder of the licence.

Penalty : Five hundred pounds.”.

6. After section eighty-one of the Principal Act the following sections are inserted :—

Removal of
spirits on
cancellation,
&c., of licence.

“ 82.—(1.) Where a licence has, by virtue of section fifteen of this Act, ceased to be in force or has been cancelled, or a licence has expired and has not been renewed, the Collector may cause any spirits, being spirits on which duty has not been paid, on the premises that were, under the licence, the licensed premises of the holder of

the licence, and, if he thinks fit, the vessels and packages in which those spirits are contained, to be removed to a Queen's warehouse or such other place of security as the Collector thinks fit.

“(2.) Unless, within six months after the removal of spirits, vessels and packages under the last preceding sub-section—

(a) they are claimed, in writing, by the person entitled to them ;
and

(b) the duty, expenses of removal, warehouse rent and charges and other storage charges (if any) on or in respect of them are paid,

they may be sold by the Collector.

“(3.) The duty to be paid on spirits claimed under the last preceding sub-section shall be calculated at the rate in force at the time when the duty is paid.

“82A.—(1.) Spirits, vessels and packages which the Collector is authorized to sell by the last preceding section (in this section referred to as ‘removed goods’) shall not be sold except by auction or by tender and after such public notice as is prescribed or, if no such notice is prescribed, after reasonable public notice.

Sale by
Collector of
removed
spirits, &c.

“(2.) Removed goods may be sold either free of duty or subject to duty.

“(3.) The conditions on which removed goods are offered for sale shall include conditions that no bid or tender shall necessarily be accepted and that upon the acceptance of a bid or tender the successful bidder or tenderer shall pay the price in cash forthwith.

“(4.) If no bid or tender satisfactory to the Collector is made or received, removed goods may be re-offered for sale until such a bid or tender is made or received.

“(5.) The proceeds of a sale of removed goods by the Collector shall be applied—

(a) in payment of the expenses of the sale ;

(b) unless the goods are sold subject to duty, in payment of the duty on the goods ;

(c) in payment of the expenses of the removal of the goods in pursuance of the last preceding section ; and

(d) in payment of the warehouse rent and charges and other storage charges (if any) in respect of the goods,

in that order, and the balance, if any, shall be paid to the Treasurer on account of the person entitled to it.

“(6.) The rate of duty applicable to removed goods sold by the Collector is the rate in force at the time of the sale.”.