

## ALCOHOL WHOLESALER REGISTRATION SCHEME (AWRS)

An ACS best practice guide for retailers

**From 1 April 2017, if you buy alcohol from a UK wholesaler, you'll also need to check that whoever you buy from is registered with HMRC and has an AWRS Unique Reference Number (URN).**

If you buy alcohol from a non-registered wholesaler, you may be liable to a criminal or civil penalty, your alcohol may be seized, or you could lose your alcohol licence.

### How to check if a wholesaler is registered?

#### Before April 2017

Before April 2017, we recommend that you ask your wholesaler(s) if they have applied for HMRC registration, but bear in mind that they may not have their registration number yet as they don't need to use it until April 2017. We also recommend you review your processes and supply chains to make sure that you are only sourcing legitimate alcohol.

#### After April 2017

You can check if your wholesaler is registered by following the **three steps** below.

#### Step 1 - Use online look up service

You will be able to use an online look-up service to check if your wholesaler is registered. This will be available on HMRC's website from **1 April 2017**.



#### Step 2 - Check unique reference number

You will find the AWRS URN on wholesaler invoices from 1 April 2017. Retailers will be able to enter the AWRS URN of the wholesaler and the look up service will confirm whether that wholesaler is approved.

The format for the URN will be made up of four alpha characters and 11 numeric characters, such as: XXAW00000123456.

If a wholesaler has been approved, but has since ceased trading, the look-up will return the dates that the wholesaler was approved.



#### Step 3 - Due diligence and record keeping

You must be able to demonstrate to HMRC that you requested a wholesaler's URN and checked its authenticity. You can do this by printing off the webpage after checking your wholesaler's URN.

HMRC have not prescribed any additional record-keeping requirements for retailers who are not wholesalers. However, to prove you have checked your wholesalers' URN, we recommend you keep record of checks you perform on the online look-up service for a similar period to your tax returns (five years).



#### If you find out your wholesaler is not approved

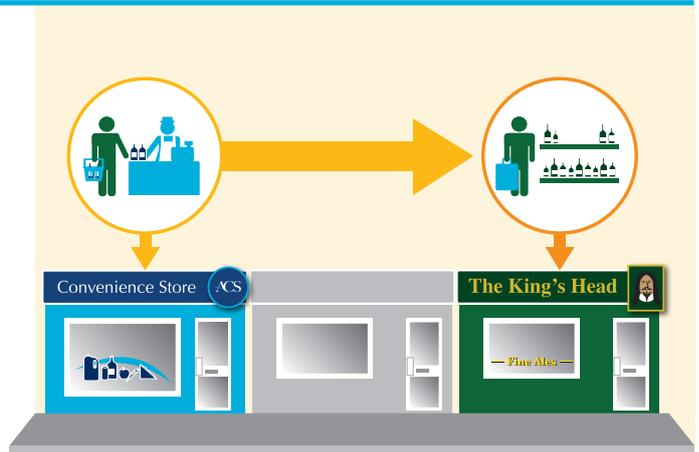
If you find that a wholesaler you are purchasing from is not approved, you **should not purchase alcohol** from them until they can provide further clarification and you must **notify HMRC immediately**.

## AWRS EXEMPTIONS

Authorised retailers are exempt from registering for AWRS if the only wholesale sales they make are incidental. A wholesale sale is generally a business to business transaction, not a sale to a consumer or end user.

An 'incidental sale' is a wholesale sale that is not made knowingly or intentionally by a retailer. For example, an 'incidental sale' could be when a small convenience store that does not set out to make wholesale sales but is aware that a local pub landlord may run out of a particular line and call in the shop to make an ad-hoc purchase.

Businesses are also exempt from AWRS if they only sell alcohol between members of the same corporate group.



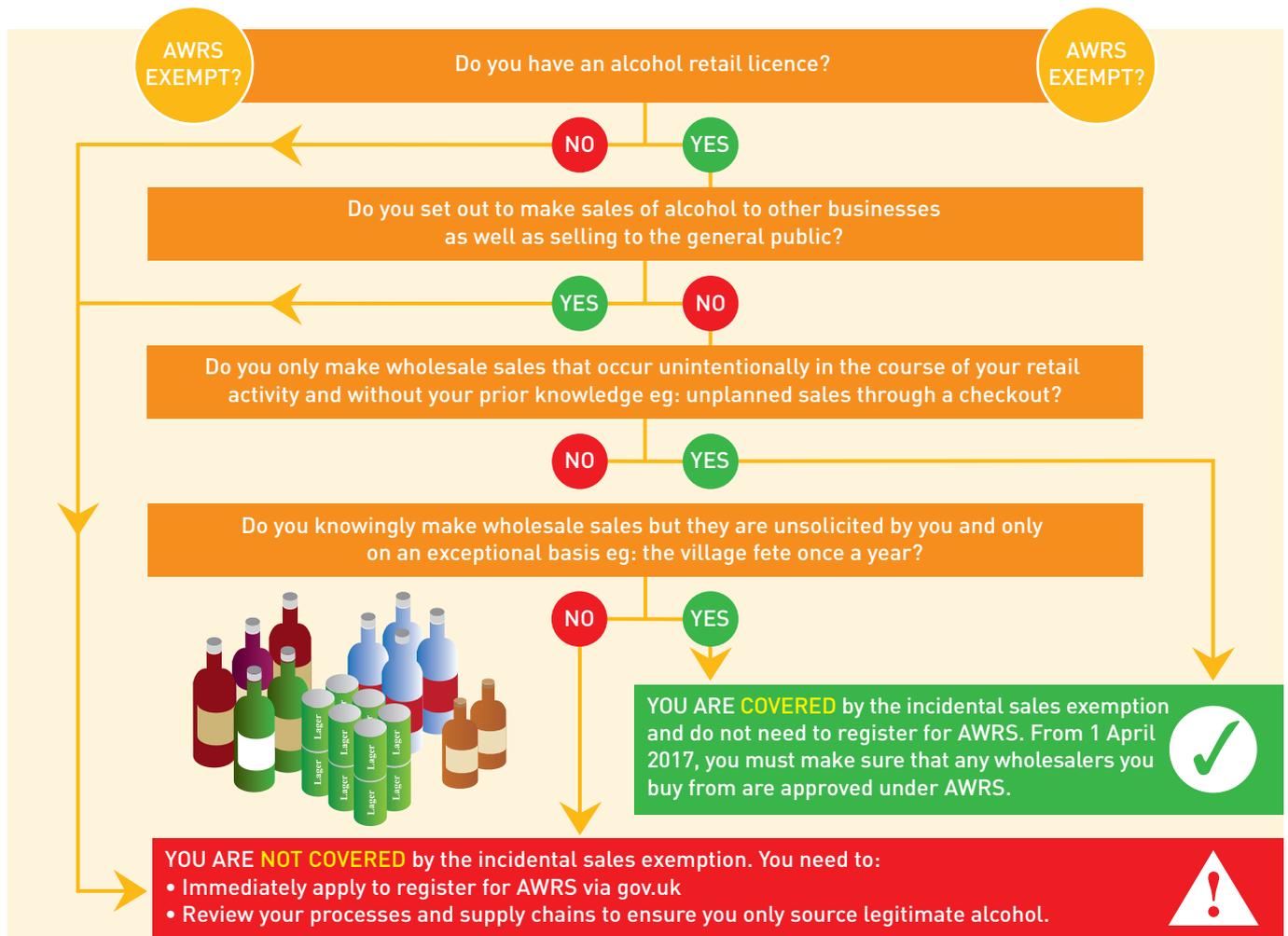
## HOW TO CHECK IF YOU NEED TO REGISTER AS A WHOLESALER

**All alcohol wholesalers were required to apply online to HMRC by 31 March 2016, as part of the Alcohol Wholesaler Registration Scheme.**

Retailers that sell alcohol to other businesses on a regular basis will need to register.

If you have missed the application window and need to apply to become a registered wholesaler, HMRC suggest that you apply as soon as possible to reduce any potential fines.

However, if you are a retailer who only makes incidental wholesale alcohol sales, you may be exempt from AWRS. You can determine if you are exempt from AWRS by following the flowchart below.



## CONTACT

For more details on this report, contact a member of the ACS Team on 01252 515001.

For more details on ACS: Visit: [www.acs.org.uk](http://www.acs.org.uk) Call: 01252 515001

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