



# SINGAPORE CUSTOMS HANDBOOK FOR EXCISE FACTORY SCHEME (MICROBREWERY)

*We make trade **easy**, **fair** and **secure**.*

Published by  
Singapore Customs

First Edition: 30 Aug 2016  
Second Edition: 21 Dec 2016 (Edited Chapter 4.6 for clarity)  
Third Edition: 25 Mar 2019 (Added Chapter 2.7 on Pro-rated licence fee arrangement  
for new microbrewery)  
Fourth Edition: 02 Dec 2019 (Edited Chapter 4.2, 4.6 and 5.6 for clarity)  
Fifth Edition: 29 Aug 2023(Added Chapter 5.6 on De-licensing of Licences)

## Table of Contents

<b>1 About This Handbook</b> .....	<b>4</b>
1.1 Is this handbook meant for me?.....	4
1.2 What is this handbook about? .....	4
<b>2 Overview of the Excise Factory Scheme (Microbrewery)</b> .....	<b>5</b>
2.1 Definition of a microbrewery .....	5
2.2 What is an Excise Factory Scheme (Microbrewery)? .....	5
2.3 Customs regulations governing microbrewery licensing .....	5
2.4 Who can operate a microbrewery? .....	5
2.5 What operations can be performed at the microbrewery premises? .....	5
2.6 What are the basic qualifying criteria to operate a microbrewery? .....	6
2.7 Pro-rated licence fee arrangement for new microbrewery.....	6
<b>3 TradeFIRST</b> .....	<b>7</b>
3.1 What is TradeFIRST?.....	7
3.2 What are the TradeFIRST criteria and bands? .....	7
3.3 How does TradeFIRST banding affect you? .....	8
3.4 How does a company undergo the TradeFIRST assessment? .....	8
<b>4 Essential Information on Starting a Microbrewery</b> .....	<b>9</b>
4.1 Import or storage of brewing equipment .....	9
4.2 Determination of Volume for Excise Duty Payment Purposes.....	9
4.3 Calculation of Excise Duty payment for manufactured beer .....	10
4.4 Determination of “Point of Duty” .....	10
4.5 Types of permit declarations .....	11
4.6 Other government agencies’ applications relevant for starting a microbrewery.....	11
<b>5 General Responsibilities of a Microbrewery Licensee</b> .....	<b>12</b>
5.1 Alteration to licensed area and Relocation of brewing equipment .....	12
5.2 Manufacture of new beer type .....	12
5.3 Notifying Singapore Customs for each new batch of beer .....	12
5.4 Re-testing alcoholic strength of existing beer types upon Singapore Customs’ request .....	12
5.5 Maintenance and submission of Monthly Brew Reports and Monthly Sales Report	12
5.6 De-licensing of Licences.....	13
5.7 Other general responsibilities .....	13

<b>6 Other Administrative Details .....</b>	<b>15</b>
6.1 Applying for an Excise Factory Scheme (Microbrewery) .....	15
6.2 Transacting with Singapore Customs .....	15
6.3 Licence is non-transferable.....	16
6.4 Licence fee .....	16
6.5 Licence renewal .....	16
6.6 TradeFIRST renewal.....	16
6.7 Contact for further clarification .....	16
<b>7 Annex.....</b>	<b>17</b>
7.1 Measuring Out Notification Template.....	17
7.2 Monthly Brew Return Template .....	19
7.3 Monthly Sales Summary Template.....	19
7.4 Frequently Asked Questions (FAQs) on the Pro-rated Licence Fee Arrangement for the Microbrewery Scheme .....	20
<b>8 Glossary .....</b>	<b>22</b>

# 1 About This Handbook

## 1.1 Is this handbook meant for me?

You should read this handbook if you wish to operate a microbrewery to ferment or manufacture ale, beer, stout or porter where the projected annual production volume is less than 1.8 million litres.

## 1.2 What is this handbook about?

This handbook will provide explanation on:

- (a) The Excise Factory Scheme (Microbrewery) (Chapter 2).
- (b) The TradeFIRST assessment framework (Chapter 3).
- (c) Essential information prior to starting your Microbrewery (Chapter 4).
- (d) Your obligations as a microbrewery licensee (Chapter 5).
- (e) How to apply for the scheme and other administrative details (Chapter 6 to 8).

# 2 Overview of the Excise Factory Scheme (Microbrewery)

## 2.1 Definition of a microbrewery

Singapore Customs defines a microbrewery as a small-scale brewery that ferment or manufacture ale, beer, stout or porter (collectively referred to as 'beer' henceforth), where the projected annual production volume (new applicant) or the past annual production volume (existing licensee) is less than 1.8 million litres.

## 2.2 What is an Excise Factory Scheme (Microbrewery)?

An Excise Factory for Microbrewery is a designated area approved and licensed by Singapore Customs for manufacturing and storage of dutiable beer with the Duty and/or GST payable suspended prior to local release and/or export.

The licensed area to manufacture dutiable beer is to be clearly separated from other areas. The non-licensed area of the same premises may be used for other purposes.

With effect from 1 April 2012, the licence fee for microbrewery is S\$8,400/- per annum.

For more info on the Excise Factory Scheme, please visit the Singapore Customs website [here](#).

## 2.3 Customs regulations governing microbrewery licensing

A microbrewery is licensed under section 63 (1) of the Customs Act. It is mandatory to be licensed by Singapore Customs under the Excise Factory Scheme (Microbrewery) before you can operate a microbrewery. This licence also incorporates a storage licence and a bottling licence provided for under section 51(1) and section 66 (1) of the Customs Act respectively.

## 2.4 Who can operate a microbrewery?

A company which has been assessed under TradeFIRST and has met the minimum requirements would qualify to operate a microbrewery, subject to payment of annual licence fee and compliance to the licensing conditions.

It is also the licensee's responsibility to obtain approval from all relevant agencies prior to the microbrewery operations.

## 2.5 What operations can be performed at microbrewery premises?

Operations which are necessary to manufacture, bottle and store dutiable finished beer may be carried out in the licensed area.

## 2.6 What are the qualifying criteria to operate a microbrewery?

To qualify, you must satisfy the following criteria:

- (a) You are a registered business entity with Accounting and Corporate Regulatory Authority (ACRA) <sup>1</sup>;
- (b) You are a GST-registered trader with the Inland Revenue Authority of Singapore (IRAS);
- (c) You have a valid Customs Account;
- (d) You must have good compliance and payment records with Singapore Customs;
- (e) The premises designated to be the licensed area must have adequate security measures to prevent proliferation of duty-unpaid beer;
- (f) You must have good manufacturing and record-keeping procedures that ensure proper accountability of the dutiable beer; and
- (g) You must have undergone a TradeFIRST assessment and minimally obtain a Standard band.

## 2.7 Pro-rated licence fee arrangement for new microbrewery

With effect from 1 May 2019, a new microbrewery applicant may choose to applied for a shortened licence period, subject to a minimum of 3 months, in the first year of operation and pay a pro-rated licence fees based on the period of the licence, instead of committing to a full annual fee of \$8,400.

For more information on this arrangement, please refer to *Annex 7.4 Frequently Asked Questions (FAQs) on the Pro-rated Licence Fee Arrangement for the Microbrewery Scheme*.

---

<sup>1</sup> Please refer to Chapter 4.6 for a list of other relevant agencies. Do note that the list is non-exhaustive and serves only as a reference.

# 3 TradeFIRST



## 3.1 What is TradeFIRST?

TradeFIRST stands for **T**rade **F**acilitation & **I**ntegrated **R**isk-based **S**ys**T**em. It is an integrated assessment framework that provides a holistic assessment of a company and determines the level of facilitation accorded. The assessment is **free** and it is **mandatory** for all companies who wish to apply for a Singapore Customs scheme or licence.

You may refer to the Singapore Customs website [here](#) for more information on TradeFIRST and to download the latest version of the self-assessment checklist.

## 3.2 What are the TradeFIRST criteria and bands?

All companies shall undergo the TradeFIRST assessment based on the following five key criteria:

Assessment Criteria Categories	Criteria
1) <b>Company Profile</b>	<ul style="list-style-type: none"><li>• General background</li><li>• Financial background</li></ul>
2) <b>Inventory Management &amp; Controls</b>	<ul style="list-style-type: none"><li>• Capability of inventory system to track and trace movement of goods, and to flag out discrepancies</li><li>• Proper data storage and back-up</li></ul>
3) <b>Compliance</b>	<ul style="list-style-type: none"><li>• Good compliance records</li></ul>
4) <b>Procedures &amp; Processes</b>	<ul style="list-style-type: none"><li>• Documented SOPs for manufacturing procedures, stocktaking, and discrepancy handling</li></ul>
5) <b>Security</b>	<ul style="list-style-type: none"><li>• Physical security measures at the microbrewery premises</li></ul>

Table 1 – TradeFIRST Criteria



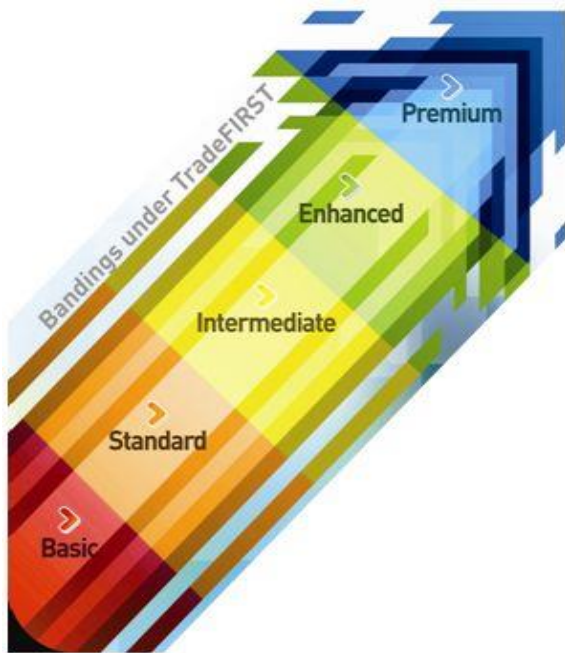


Figure 1 – TradeFIRST Bandings

Risk management approach is adopted in classifying the schemes and facilitation into 5 bands - Basic, Standard, Intermediate, Enhanced and Premium.

Upon the TradeFIRST assessment, companies will be placed into one of the five bands. Companies in the higher bands will be accorded more schemes and facilitation.

### 3.3 How does the TradeFIRST banding affect you?

Your company would need to minimally achieve a “**Standard**” band to qualify for the Excise Factory Scheme (Microbrewery).

### 3.4 How does a company undergo the TradeFIRST assessment?

The TradeFIRST assessment will be as follows:

**Step 1:** Account Manager sends company the TradeFIRST Self-Assessment Checklist that explains the assessment framework for the company’s self-assessment.

**Step 2:** Company fills up the TradeFIRST Self-Assessment Checklist and sends it to the Account Manager with supporting documents.

**Step 3:** Account Manager conducts preliminary assessment on suitability of company, advises on areas of improvement, and gives sufficient time for company to improve those areas where necessary.

**Step 4:** On-site assessment will be conducted.

**Step 5:** After the assessment, the Account Manager submits the evaluation and recommendation for approval or rejection.

The Account Manager will inform the company on its application outcome, the band it is placed in that determines the facilitation and schemes the company can enjoy, and the areas for improvement.

# 4 Essential Information on Starting a Microbrewery

## 4.1 Import or storage of brewing equipment

Any import or storage of brewing equipment (e.g. fermentation tanks, dispensing tanks etc.) requires the prior approval from Singapore Customs. You are required to furnish the following:

- 1) expected arrival date;
- 2) place of storage;
- 3) submit supporting documents such as tank technical specifications, invoice, airway bill/bill of lading etc; and
- 4) any documents as required by Singapore Customs.

## 4.2 Determination of Volume for Excise Duty Payment Purposes

As of April 2016, Singapore Customs accept two methods of determining volume for excise duty payment purposes: Use of flowmeter OR Pre-determined full/half tank volume.

### 4.2.1 Use of Flowmeter

Under the Weights and Measures Act, all flowmeters to be used for duty declaration purposes has to be pattern registered with Enterprise Singapore for trade-use. You can contact Enterprise Singapore's authorised verifiers (AVs) to recommend a flowmeter that is fit for trade-use. AVs will then perform verification and calibration of the flowmeter. The flowmeter will be stamped and sealed with the Weights and Measures Office (WMO) seals thereafter.

You will also be required to maintain a flowmeter record book which includes information such as:

- 1) measuring operation date;
- 2) Customs lot number;
- 3) start and end meter reading;
- 4) from and to tank number;
- 5) gross volume measured;
- 6) working loss; and
- 7) net volume.

### 4.2.2 Pre-determined full/half tank volume

You are to provide the tank specifications and explanation to justify the pre-determined full/half tank volume to be declared for excise duty payment purposes, for Singapore Customs' consideration. Once approved, you will be informed of the official full/half tank volume to declare for all subsequent brews.

#### 4.2.3 Working Loss

Working loss refers to quantifiable losses during your manufacturing process which has implications on the final volume of beer for excise duty payment purposes. Your Account Manager would arrange to witness the measuring of the working loss(es), if any and subject to Singapore Customs' approval.

#### 4.3 Calculation of Excise Duty payment on manufactured beer

The formula to compute total excise duty payable is based on volume produced and alcoholic strength. A sample of such computation is as follows:

**Example:**

1000 litres of Ale produced with alcoholic strength of 4.0% and the duty rate is \$60/- per litre of alcohol.

**Total Excise Duty payable:**

= Total quantity in litres x S\$60/- x % of alcoholic strength

= 1000Ltrs x S\$60 x 4% = S\$2,400/-

#### 4.4 Determination of "Point of Duty"

A "Point of Duty" (POD) is defined as the point at which excise duty is payable. The POD would differ based on the set-up of the microbrewery. This can be illustrated below by the two possible scenarios:

**Scenario A:**

Beer in the Fermentation Tank (FT) is directly kegged out for maturation once ready. The POD is between the FT and kegs. Excise duty is payable upon beer transfer from the FT to kegs.

**Scenario B:**

Once ready, the beer is transferred from a FT into a Bright Beer Tank (BBT) for direct dispensing to taps.

The POD in this scenario can be between the FT and BBT. Excise duty is payable upon beer transfer from the FT to BBT.

\*Note: These scenarios are non-exhaustive and can differ depending on the microbreweries. Your Account Manager will discuss the POD with you.

#### 4.5 Types of permit declarations

The table below summarises the different types of permit declarations applicable for microbreweries.

<b>Movement</b>	<b>Message Type</b>	<b>Declaration Type</b>	<b>Code</b>	<b>Permit Prefix</b>	<b>Examples of Purpose of permit application</b>
<b>Inward</b>	In-Non-Payment	GST Relief and/or Duty Exemption	GTR	EX	Consumption by embassies eligible for duty exemption
	In-Payment	Duty	DUT	DP	Manufactured beer meant for local consumption. No GST is payable on locally manufactured goods removed from the premises if there is no supply or sale before payment of the excise duty.
<b>Outward</b>	Out	Approved Premises Schemes	APS	OO	Manufactured beer meant for export

#### 4.6 Other government agencies' applications relevant for starting a microbrewery

Below is a list of government agencies that might be relevant to start a microbrewery in Singapore.

<b>Government Agency</b>	<b>Type of Application</b>
<b>Accounting and Corporate Regulatory Authority (ACRA)</b>	Entity and BizFile Registration
<b>Inland Revenue Authority of Singapore (IRAS)</b>	GST Registration
<b>Building and Construction Association (BCA)</b>	Building Safety
<b>Singapore Civil Defence Force (SCDF)</b>	Fire Safety
<b>Enterprise Singapore</b>	Registration of Approved Patterns of Weighing & Measuring Instruments
	Control of Manufacture Act (COMA) Certificate
<b>Singapore Police Force (SPF)</b>	Liquor Licence
<b>Agri-Food &amp; Veterinary Authority of Singapore (AVA)</b>	Food Control & Product Label
<b>National Environment Agency (NEA)</b>	Waste disposal

\*Note: This list is meant to be a general guide for individuals intending to start a microbrewery and may not be exhaustive.

# 5 General Responsibilities of a Microbrewery Licensee

## 5.1 Alteration or relocation of brewing equipment

The licensee is required to inform Singapore Customs prior to any change in storage location of existing brewing equipment. No alteration to the brewing equipment or licensed area may be made in the microbrewery without prior approval from Singapore Customs.

## 5.2 Manufacture of new beer type

The licensee shall notify Singapore Customs before he/she is allowed to manufacture a new beer type. For each new beer type, the licensee shall inform Singapore Customs of the estimated alcoholic strength to be declared for excise duty payment purposes. Subsequently, Singapore Customs will trigger sampling of the new beer type to obtain the official alcoholic strength to be declared henceforth.

Refer to 5.4 for more details on sampling of beer types.

## 5.3 Notifying Singapore Customs for each new batch of beer

The standard reporting procedure is as follows:

- 1) Inform Singapore Customs of the start date of production and tank number used, prior to the commencement of any brew;
- 2) Inform Singapore Customs using the relevant notification template at least one working day before measuring operations (beer transfer). Upon Singapore Customs' approval, licensee can proceed with beer transfer. Refer to Annex 7.1 for the relevant templates; and
- 3) Submit the completed notification template to Singapore Customs for lot registration within the same day of measuring operations. Upon notification of lot registrations, licensee shall take up Duty Payment permit by the next working day.

## 5.4 Testing alcoholic strength of existing beer types upon Singapore Customs' request

Existing beer types may be required to be sent for laboratory testing upon Singapore Customs' request.

Singapore Customs' supervision is required during the extraction of samples for testing. Supervising officers will seal the bottles and provide unique Singapore Customs' seal numbers. The licensee is to arrange for the samples to be sent to any of the Singapore Customs' prescribed laboratories for testing of alcoholic strength.

## 5.5 Maintenance and submission of Monthly Brew Return and Monthly Sales Summary

The licensee is required to maintain and submit a Monthly Brew Return to Singapore Customs by the 5<sup>th</sup> day of the following month using the template in Annex 7.2.

Bi-annually, licensee is required to submit a Monthly Sales Summary obtained from your Point of Sales (POS) system according to beer type sold each month by 15 Jan and 15 July using the template in Annex 7.3.

## 5.6 De-licensing of Licences

Prior to applying for de-licensing of the Microbrewery, the licensee is required to ensure that all equipment - for fermenting or manufacturing beer, stout, ale or porter - in his possession is disposed of in a manner approved by Singapore Customs. The licensee shall inform Singapore Customs on the method and place of disposal, and submit supporting documents (e.g. invoice, permits, airway bill/bill of lading, certificate of destruction etc) for verification. Singapore Customs will process the de-licensing application only after such proper disposal of the equipment.

## 5.7 Other general responsibilities

As a licensee, you must also comply with the following:

- (a) To appoint a key personnel to be Singapore Customs' liaison of this licence. This person must have control of the Microbrewery operation and has full knowledge of the Singapore Customs' requirements and be responsible of the Microbrewery Licensing Conditions;
- (b) Inform Singapore Customs without delay if any discrepancies were discovered at any time;
- (c) To notify Singapore Customs in writing of any changes in the following:
  - Licensee's name and contact details;
  - Licensee's organizational structure;
  - Licensee's representative with Singapore Customs and/or the contact details of the representative
  - Licensee's standard operating procedures; and
  - Licensee's warehouse management system used for management of the microbrewery (if applicable).
- (d) Only areas highlighted in the endorsed layout plan are to be used for manufacturing of beer;
- (e) To obtain prior approval from Singapore Customs in writing of any changes in the following:
  - Address of the Microbrewery;
  - Designated storage area(s) marked in the approval layout plan;
  - Addition or removal of tank(s); and
  - Structural alterations to the Microbrewery.
- (f) To apply for a new licence if there is a change to the Unique Entity Number (UEN);
- (g) To ensure adequate security measures in the licensed premises;
- (h) To properly maintain and update inventory records;
- (i) To use a Customs-assigned Lot Number for every beer production;
- (j) To inform Singapore Customs of the date and tank number used if there is spoilage of the brew and the fermented beer is unsafe for consumption.
- (k) To pay excise duty on each batch of beer produced before sale and such payment to be made via TradeNet by the next working day after the measuring/transferring is completed;
- (l) To pay excise duty on spillage of beer resulting from flushing of tanks or other processes that take place;
- (m) To ensure all tanks are properly labelled and flowmeters are calibrated once every year or whenever found faulty;

- (n) To report in writing to Singapore Customs if the WMO seals on flowmeters are found broken; and
- (o) To provide adequate facilities for officers of Customs to examine your records and facilities as and when required.

# 6 Other Administrative Details

## 6.1 Applying for an Excise Factory Scheme (Microbrewery)

**Step 1:** E-file for a licence to operate a Licensed Factory Warehouse (Distillery) [here](#).

**Step 2:** Once your application has been received, an Account Manager will be assigned to your company to guide you in the application process.

## 6.2 Transacting with Singapore Customs

### 6.2.1 Activation of Customs Account

Your company would need to be registered with the Accounting and Corporate Regulatory Authority (ACRA) to obtain an Unique Entity Number (UEN), which is the identification number of an entity.

After registering with ACRA, you are now ready to activate your Customs Account (and apply for a Declaring Agent Account) by clicking [here](#).

### 6.2.2 TradeNet® / Declaring Agent Account

After the activation of the Customs Account and application for a Declaring Agent Account, you have three options for your company to declare permits:

- 1) You can purchase the TradeNet® Front-end software from approved software vendor. This allows you to have customised permit declaration software;
- 2) You can use the Government Front-End module; OR
- 3) You can appoint a Freight Forwarder who is registered as a TradeNet® user with Singapore Customs or engage the services of the Service Centre to lodge the relevant declarations on your behalf.

For more information on TradeNet®, please visit the Singapore Customs website [here](#).

### 6.2.3 Inter-Bank GIRO (IBG)

If you wish to pay duties, GST or other miscellaneous fees to Singapore Customs directly, you must maintain an Inter-bank GIRO account with Singapore Customs. You would need to complete the application form "[Application for Interbank GIRO](#)".

For more information on IBG, please visit the Singapore Customs website [here](#).



#### 6.2.4 Banker's Guarantee or Insurance Bond

For transactions involving dutiable goods, you are required to furnish security for the due payment of all duties and fees for which you may become liable for under Regulation 19 of the Customs Regulations. This security is in the form of Banker's Guarantee (BG) or Insurance Bond (IB) from approved banks, financial institutions or insurance companies. You would need to complete the application form "[Banker's Guarantee/ Insurance Bond \(Permits & Licensed Premises\)](#)".

The amount of BG or IB to be lodged with Singapore Customs will depend on the company's TradeFIRST banding and the projected maximum duty value of the manufactured dutiable products (for new applications) or the average monthly duty value of manufactured dutiable products (for renewals).

For more information on BG/IB, please visit the Singapore Customs website [here](#).

#### 6.3 Licence is non-transferable

The licence is strictly non-transferable. You should be responsible for managing all movements of the dutiable goods in the microbrewery.

#### 6.4 Licence Fee

An annual licence fee is payable upon issue of the licence. The annual fee for a microbrewery that ferments or manufactures ale, beer, stout or porter where the projected annual production volume or the past annual production volume is less than 1.8 million litres will be S\$8,400/-.

#### 6.5 Licence Renewal

Renewal of the licence is dependent on various factors, such as your compliance records with Singapore Customs, payment of annual licence fee, and TradeFIRST banding.

#### 6.6 TradeFIRST Renewal

You are to submit an application for TradeFIRST renewal at least 4 months before the expiry. Failure to renew your TradeFIRST banding may result in your licence being suspended or revoked.

#### 6.7 Contact for further clarification

This handbook is designed for general information only. Should you need further clarification, you can e-mail Schemes and Engagement Branch at [Customs\\_schemes@Customs.gov.sg](mailto:Customs_schemes@Customs.gov.sg) or call 6251 3027.

# 7 Annex

## 7.1 Notification Template

For flowmeter:

Type of Operation	Measuring Beer/Stout
Date of Operation	(Before measuring operation/ Pre-filling)
Time of Operation	
Place of Operation	
Licence Warehouse Number	
Customs Lot Number	
From Tank Number	
To Tank Number	
Goods Description	
Alcoholic Strength	
HS Code	
Estimated Volume	
Packing Description	
Actual Gross Volume Measured	
Approved Working Loss (if applicable)	
Net Volume Measured	

For pre-determined full/half tank:

Type of Operation	Measuring Beer/Stout
Date of Operation	(Before measuring operation/ Pre-filling)
Time of Operation	
Place of Operation	
Licence Warehouse Number	
Customs Lot Number	
From Tank Number	
To Tank Number	
Goods Description	
Alcoholic Strength	
HS Code	
Pre-determined Full/Half Tank Volume	
Packing Description	
Approved Working Loss (if applicable)	
Net Volume Measured	



#### 7.4 Frequently Asked Questions (FAQs) on the Pro-rated Licence Fee Arrangement for the Microbrewery Scheme

**Q1** What is the enhancement to the Microbrewery scheme (as announced by Senior Minister of State (MTI), Mr Chee Hong Tat, on 23 Feb 2019)? And the purpose of this enhancement?

A1 The enhancement to the scheme is the introduction of a pro-rated licence fee arrangement for new microbrewery start-ups. This enhancement allows the new start-ups to pay a pro-rated licence fees based on the period of operation of the licence in the first year, subject to a minimum of 3 months, instead of committing to a full annual fee of \$8,400. The enhancement aims to reduce the entry barriers for new aspiring microbrewery start-ups.

**Q2** What is the effective date of the enhancement to the Microbrewery scheme?

A2 The effective date is 1 May 2019.

**Q3** What is the minimum length of the Microbrewery licence under the enhancement?

A3 A new microbrewery start-up can opt to apply for a licence period of minimally 3 months and pay a pro-rated licence fee.

**Q4** How is the pro-rated licence fee computed?

A4 The pro-rated licence fee is calculated at a monthly rate of the annual fee for each month or part of a month for which the licence is valid. For example, a 3-month licence fee is \$2,100 (i.e. annual licence fee of \$8,400 is for 12months).

**Q5** How to apply for this enhancement to the Microbrewery scheme?

A5 Your company may e-file for a licence to operate a Licensed Factory Warehouse (Distillery) [here](#). Once the application has been received, Singapore Customs would guide you on the application process. You would need to indicate to Customs that you wish to opt for the pro-rated licence fee for the Microbrewery scheme.

**Q6** How does Singapore Customs assess the eligibility of applicants applying for the Microbrewery licences under the enhancement?

A6 A new start-up applying for the Microbrewery licence (with the enhancement) will be assessed based on a set of assessment criteria adapted from the [TradeFIRST Assessment Checklist](#).

In addition, the applicant must satisfy the following criteria:

- (a) Have a valid Customs Account;
- (b) Have good compliance and payment records with Singapore Customs;
- (c) The premises designated to be the licensed area must have adequate security measures to prevent proliferation of duty-unpaid beer; and
- (d) Have good manufacturing and record-keeping procedures that ensure proper accountability of the dutiable beer.

**Q7** Can I extend the Microbrewery licence issued under the enhanced arrangement before expiry?

A7 Singapore Customs will allow further extensions of the Microbrewery licence issued under the enhanced framework for up to a year from the date of commencement. Thereafter, the pro-rated licence arrangement will cease and the start-up will be required to obtain a full Microbrewery licence and pay the licence fee of \$8,400 annually, given that the licensee has already stayed on the scheme for a whole year and should no longer be considered a new start-up.

**Q8** Will Singapore Customs refund the pro-rated licence fee paid if a licensee decided to de-license the Microbrewery licence issued with the enhancement before the end of the licence period?

A8 Yes. Any unconsumed licence fees will be refunded to the licensee (rounded to the nearest month).

**Q9** Is Customs' approval required for the possession of brewing equipment under the enhancement?

A9 Yes, approval from Singapore Customs is required for the possession of brewing equipment (e.g. fermentation tanks, dispensing tanks, etc.)

**Q10** What will happen to the brewing equipment if the Microbrewery licensee decided not to renew the licence?

**A10** In accordance with Section 64 of Customs Acts, an entity will not be allowed to keep the brewing equipment without a valid licence. Hence, a de-licensed entity is required to export or destroy its brewing equipment.

**Q11** Is the enhancement applicable for existing Microbrewery licensees?

**A11** The enhancement is only applicable for new applicants of the Microbrewery licence. Existing Microbrewery licensees are required to pay an annual licence fee during their yearly renewal of licence given that such licensees have already stayed on the scheme for at least a year or more, and the intent of the pro-rated licence is to ease entry cost for new aspiring start-ups.

**Q12** Could a new microbrewery opt to apply for a full Microbrewery licence after the implementation of the enhancement to the Microbrewery scheme on 1 May 2019?

**A12** A new microbrewery may still apply for a full Microbrewery licence after the implementation of the enhancement on 1 May 2019. An applicant will be required to undergo the [TradeFIRST assessment](#) to qualify for the Microbrewery licence.

In addition, the applicant must satisfy the following criteria:

- (a) Have a valid Customs Account;
- (b) Have good compliance and payment records with Singapore Customs;
- (c) The premises designated to be the licensed area must have adequate security measures to prevent proliferation of duty-unpaid beer; and
- (d) Have good manufacturing and record-keeping procedures that ensure proper accountability of the dutiable beer.

**Q13** What are the other necessary approvals from relevant agencies for brewing activities besides Customs?

**A13** An applicant will be required to obtain approval from various government agencies for starting brewing activities in a microbrewery, besides applying for the Microbrewery licence from Singapore Customs. It is the responsibility of the applicant to obtain all necessary approvals from the relevant government agencies before commencing any brewing activities.

The list of relevant government agencies is non-exhaustive and applicant should contact the relevant agencies for more information.

Government Agency	Type of Application
<b>Accounting and Corporate Regulatory Authority (ACRA)</b>	Entity and BizFile Registration
<b>Inland Revenue Authority of Singapore (IRAS)</b>	GST Registration
<b>Building and Construction Association (BCA)</b>	Building Safety
<b>Singapore Civil Defence Force (SCDF)</b>	Fire Safety
<b>Enterprise Singapore (ESG)</b>	Registration of Approved Patterns of Weighing & Measuring Instruments Control of Manufacture Act (COMA) Certificate
<b>Singapore Police Force (SPF)</b>	Liquor Licence
<b>Agri-Food &amp; Veterinary Authority of Singapore (AVA)</b>	Food Control & Product Label
<b>National Environment Agency (NEA)</b>	Waste disposal

**Q14** Where can I find more information about the Microbrewery scheme and the related enhancement?

**A14** For information, please refer to the Singapore Customs website on [Excise Factory Scheme](#).

# 8

## Glossary

### **CUSTOMS LOT NUMBER**

Customs Lot Numbers are typically numbers in 4 alpha and 4 numeric format and is assigned to you by Singapore Customs. Unique Customs lot numbers must be used for each beer production and must be declared in the respective Customs clearance permits covering the dutiable beer. Customs lot numbers are required for tracking the dutiable beer in each beer production.

### **DUTIABLE GOODS**

Dutiable goods are goods subject to the payment of Customs Duty or Excise Duty on entry into Customs territory, or goods manufactured in Singapore for which Customs Duty or Excise Duty is liable.

### **EXCISE FACTORY**

An Excise Factory is a designated area approved and licensed by Singapore Customs for manufacturing dutiable goods, namely liquor, tobacco, motor vehicles and petroleum, with the duty and GST payable suspended. It is regulated under Section 63 of the Customs Act. It is also deemed to be a licence to store the manufactured dutiable goods and a licence to bottle the manufactured goods in the case where the goods are liquor products.

### **GOODS & SERVICES TAX (GST)**

Goods & Services Tax (GST) is a tax on domestic consumption. GST is charged on all supplies of goods and services in Singapore and on goods imported into Singapore. Singapore Customs collects GST at the point of importation, as well as goods which are locally manufactured and which attract excise duty.

### **UNIQUE ENTITY NUMBER (UEN)**

From 1 January 2009, Unique Entity Number (UEN) is the standard identification number for all entities that are registered in Singapore, such as businesses, local companies, limited liability partnerships (LLPs), societies, representative offices, healthcare institutions and trade unions. The UEN number replaces the Central Registration Number (CR) previously issued by Singapore Customs for entities to conduct import, export, trans-shipment and other trading activities in Singapore.

### **WAREHOUSE MANAGEMENT SYSTEM**

Warehouse management system can be a proprietary or standard off-the-shelf computerised system that manages and tracks the inventory level and movement of goods entering and leaving a warehouse.