EXPLANATORY MEMORANDUM TO

THE TRAVELLERS' ALLOWANCES (AMENDMENT) ORDER 2026

2026 No. 981

1. Introduction

1.1 This Explanatory Memorandum has been prepared by His Majesty's Revenue and Customs (HMRC) and is laid before the House of Commons by Command of His Majesty.

2. Declaration

2.1 Dan Tomlinson MP, Exchequer Secretary to the Treasury confirms that this Explanatory Memorandum meets the required standard.

2.2 Andy Higgins, Deputy Director for Excise & Environmental Taxes, at HMRC confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Francesca Palser at HMRC can be contacted by email at the following address with any queries regarding the instrument: mailbox.alcoholpolicy@hmrc.gov.uk.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 This instrument amends the Travellers' Allowances Order 1994 as it applies in Great Britain. It updates the categorisation of alcoholic products within the duty-free allowances so that cider is moved to the same category as beer, and the existing still and sparkling wine categories are replaced by a single wine category. It also increases the thresholds for applying simplified rates for still and sparkling cider from 20 litres to 110 litres, aligning cider with the threshold for beer. These changes simplify the way alcoholic product allowances operate in practice and better reflect the reformed alcohol duty system.

Where does the legislation extend to, and apply?

4.2 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is the United Kingdom.

4.3 The territorial application of this instrument (that is, where the instrument produces a practical effect) is Great Britain only.

5. Policy Context

What is being done and why?

5.1 This instrument updates the structure of alcoholic product categories within the travellers' allowances regime to better reflect travellers' behaviour and expectations when using the duty-free allowances.

5.2 The changes move cider into the same category as beer and replace the existing still and sparkling wine categories with a single wine category. It also amends terminology used to describe alcoholic products, bringing the travellers' allowances framework

into line with terminology in the reformed domestic alcohol duty system introduced in the Finance (No. 2) Act 2023.

5.3 The instrument also increases the simplified rates threshold for still and sparkling cider so that they match that for beer. This ensures that the simplified rates system continues to operate consistently across equivalent products. Overall, the changes are intended to simplify the system for travellers and improve consistency in the treatment of similar alcoholic products.

What was the previous policy, how is this different?

5.4 Previously, beer and cider were different alcoholic product categories within travellers' allowances, as were still wine and sparkling wine. Following this instrument, cider is moved to the same category as beer, and the separate still and sparkling wine categories are replaced by a single wine category.

5.5 While overall duty-free allowance limits remain unchanged, the realignment of categories means that the combinations of products that can be brought into the UK within the allowances differ from the previous position. The threshold for applying simplified rates to still and sparkling cider also increases from 20 litres to 110 litres, aligning cider with beer.

6. Legislative and Legal Context

How has the law changed?

6.1 This instrument amends the Travellers' Allowances Order 1994, made under section 13 of the Customs and Excise Duties (General Reliefs) Act 1979. It updates provisions in Schedules 1 and 2 relating to alcoholic product categories and simplified rate thresholds. The instrument also updates terminology to align with the definition of "alcoholic products" in the Finance (No. 2) Act 2023.

Why was this approach taken to change the law?

6.2 Secondary legislation is required to amend the Travellers' Allowances Order 1994. This instrument provides the most direct and appropriate mechanism to update the categorisation of alcoholic products and simplified rate thresholds. There are no alternative approaches that would achieve these changes without amending the existing Order.

7. Consultation

Summary of consultation outcome and methodology

7.1 No formal public consultation was undertaken because the changes are limited in scope and relate to the categorisation of alcoholic products within the travellers' allowances regime. They simplify how the allowances operate in practice without altering the overall duty-free allowance limits.

8. Applicable Guidance

8.1 Guidance for travellers on duty-free allowances will be updated on GOV.UK in line with the instrument coming into force.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A Tax Information and Impact Note covering this instrument is available on the GOV.UK website.[1]

Impact on businesses, charities and voluntary bodies

9.2 There is no, or no significant, impact on business, charities or voluntary bodies because the measure relates to individuals bringing alcohol into Great Britain for personal use. Some businesses may choose to update customer-facing information to reflect the revised categorisation, but no substantive operational changes are required.

9.3 The legislation does not impact small or micro businesses.

9.4 There is no, or no significant, impact on the public sector because the measure does not introduce new operational requirements or obligations on public sector bodies.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The approach to monitoring this legislation is through routine HMRC data analysis and engagement with stakeholders.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 None.

12. European Convention on Human Rights

12.1 The Exchequer Secretary to the Treasury has made the following statement regarding Human Rights: "In my view the provisions of the Travellers' Allowances (Amendment) Order 2026 are compatible with the Convention rights."

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").

[1] Tax Information and Impact Note: www.gov.uk/government/publications/alcoholic-product-category-changes-for-travellers-duty-free-allowances