

HMRC says UK businesses should apply now for Vaping Products Duty

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From today, UK vaping product manufacturers, importers and warehousekeepers can apply for Vaping Products Duty and Vaping Duty Stamps Scheme approval.

- New GOV.UK guidance sets out what businesses need to do, key dates, and who is responsible across the supply chain.
- The guidance supports long-term compliance, consistent use of vaping duty stamps and provides details of penalties and sanctions to stem illicit trade.
- Vaping Products Duty and vaping duty stamps are part of the government's Plan for Change to create a smoke-free generation and tackle youth vaping.

HM Revenue and Customs (HMRC) is urging vaping-related businesses and supply chains to register for Vaping Products Duty (VPD) and the Vaping Duty Stamps (VDS) Scheme, as applications for approval opens today (1 April 2026).

Businesses need to provide the required information now to register for HMRC approval and begin the process of applying for duty stamps. From 1 October 2026, this information will be used to determine when duty becomes payable, making registering now an essential step in early preparation.

They are encouraged to visit GOV.UK and search for 'vaping duty' to access guidance published today. It explains which vaping products are liable to the new excise duty, the key dates and milestones ahead, and the roles and responsibilities of manufacturers, importers, warehousekeepers and other businesses across the supply chain.

It also sets out how and when businesses need to register and apply for the relevant approvals, which will take at least 45 working days if further information is needed.

Rachel Nixon, HMRC's Director of Indirect Tax, said:

From 1 April 2026, UK vape manufacturers, importers and warehousekeepers can apply to HMRC for Vaping Products Duty and Vaping Duty Stamps Scheme approval, which is essential for these businesses to continue trading legally from 1 October.

Our guidance brings all the key information together, and using it now will help firms prepare properly, avoid errors and ensure they can continue trading when the new requirements apply from October.

Details:

- Vaping Products Duty (VPD) applies from 1 October 2026.
- VPD will be charged at a flat rate on all vaping liquids, whether they contain nicotine or not.
- From the same date, duty stamps must be affixed to the retail packaging of individual vaping

products produced in or imported into the UK, although retailers will still be able to sell any unstamped stock they already hold for a six-month period as part of the transition arrangements.

- From 1 April 2027 all vaping products held outside of approved duty suspension in the UK must carry a valid duty stamp.
- Non-compliance with the new requirements may result in civil or criminal sanctions, including penalties, fines and criminal prosecution.

The HMRC guidance published today includes:

- how Vaping Products Duty is measured and when it becomes payable
- what records businesses must keep in order to submit returns and pay VPD from 1 October
- specific requirements for imports and exports
- how to move stock under duty suspension
- the position for Northern Ireland
- the compliance checks, civil penalties and criminal offences that may apply when requirements are not met.

Publishing this information in a single location helps vaping-related businesses clearly understand what they need to do. It supports consistent use of vaping duty stamps making it easier to comply with the rules and provides a single reference point for businesses entering the market or changing their arrangements. This will help avoid common mistakes, reduce delays and limit unnecessary contact with HMRC.

HMRC will further raise awareness of the new duty and stamp scheme with the retail sector later in 2026.

Timeline:

- From 1 April 2026: HMRC has opened applications for approval for manufacturers, importers and warehousekeepers.
- Until 31 August 2026: HMRC approved businesses will only be able to purchase 'transitional' vaping duty stamps from the approved stamps supplier. 'Transitional' stamps include security features but no digital element. This will enable businesses to have stamped product ready for supply from 1 October 2026. Businesses must not affix 'transitional' stamps to vaping products after 30 September 2026.
- From 1 September 2026: HMRC approved businesses will only be able to purchase vaping duty stamps with a digital feature, and other security elements, from the approved stamps supplier.
- Before 1 October 2026: Duty stamped vaping products cannot be released onto the open market.
- From 1 October 2026: Vaping duty stamps must be attached to individual vaping products sold or supplied in the UK. All vaping products released by suppliers and manufacturers for sale must carry a duty stamp. Retailers can sell any unstamped stock they already hold, until 31 March 2027, but any new duty-liable stock purchased must have a duty stamp.
- From 1 April 2027: Duty stamps are required on all UK vaping products outside of duty suspension.

The government is committed to creating a smoke-free generation and tackling youth vaping as part of its Plan for Change. To support this, a new excise duty on vaping products is being introduced from October 2026, alongside tobacco duty increases to incentivise smokers to choose vaping over smoking.

At Autumn Budget 2024, the government confirmed the introduction of Vaping Products Duty to reduce the affordability and appeal of vaping products - particularly among young people.

Following consultation, the government confirmed introducing the Vaping Duty Stamps (VDS) Scheme to complement HMRC compliance activity by enabling quick identification of non-duty-paid products and strengthening supply-chain management. Treasury analysis indicates that the new vaping duty is expected to raise more than £550 million a year by 2030-31 to fund vital public services like the NHS.

Further information

Vaping Products Duty (VPD) will apply to all vaping liquids, whether nicotine-containing or not.

The Vaping Duty Stamps (VDS) Scheme will require vaping duty stamps on all individual retail units of vaping products.

Key dates: Applications for approval are now open (from 1 April 2026); duty and stamps requirements apply from 1 October 2026; grace period for the sale of older unstamped stock already in retail channels ends 31 March 2027.

Duty rate: £2.20 per 10ml on all vaping liquids (nicotine and non-nicotine).

VAT will continue to be paid on vaping products.

Offences and penalties will apply to all products liable for Vaping Products Duty from 1 October 2026. Penalties relating to vaping duty stamps will apply from 1 April 2026.

Supplier appointment: Cartor Security Printers Limited is the appointed supplier of vaping duty stamps under HMRC's concession contract.

Further information: Vaping Products Duty and Vaping Duty Stamps Scheme: detailed information - GOV.UK and sign up for alerts. This 'collection' page incorporates policy, consultations and implementation guidance.

Other supporting materials: Stakeholder communications pack - to help trade bodies, local authorities and industry partners amplify key messages; stakeholders are encouraged to use the materials across their channels to support sector readiness.

An HMRC YouTube video and webinar is available to help affected businesses prepare for the changes.

Other useful links:

- Receiving, storing and moving excise goods - GOV.UK
- The Tobacco and Vapes Bill 2024 - GOV.UK

Treasury analysis published at Budget 2025.

<https://www.gov.uk/government/news/hmrc-says-uk-businesses-should-apply-now-for-vaping-products-duty>