



21 March 2007

Chancellor boosts spirits by freezing excise duty

The Chancellor took another important step to delivering alcohol tax fairness in the UK today, with the announcement that he had frozen the duty on Scotch Whisky and other spirit drinks.

Welcoming today's announcement, Gavin Hewitt, Chief Executive of The Scotch Whisky Association, said:

"Today's spirits duty freeze is particularly important at a time when distillers are investing in expanding production in Scotland for long term growth but face rising energy and other supply chain costs. Excise duty stability is supporting industry competitiveness in the home market, as it looks to continue to grow overseas.

"The Chancellor has acted to introduce a fairer alcohol tax system in recent years and today's duty freeze for Scotch will be welcomed across the industry. It also sends a clear signal to overseas governments that excise discrimination is unacceptable."

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Note to Editors:

1. With the excise duty on other alcoholic drinks rising, the duty freeze was the Chancellor's seventh reduction in the duty discrimination against spirits since 1997.
2. Today's announcement means the duty differential, which favours other drinks over spirits, is narrowed. A pub measure of Scotch Whisky pays 27.38p duty, the same amount of alcohol served as beer pays 19.20p, and wine 21.55p.
3. For further information, please contact Campbell Evans (020 7629 4384 or 07768 002 262) or David Williamson (020 7629 4384 or 07730 496 151) at the SWA.