



24 November 2008

Whisky tax hiked again

Responding to the Chancellor of the Exchequer's Pre-Budget Report today, the Chief Executive of The Scotch Whisky Association, Gavin Hewitt, said:

"Today's 8% excise duty rise is counterproductive and a damaging blow to Scotch Whisky in the UK, depressing consumer demand in a fragile market. The alcoholic drinks industry needs as much a boost as the rest of the economy.

"There is no logic to any duty increase. Alcohol revenues have already fallen by £40m this year on the back of the 9% excise rise in March. It disadvantages Scotch Whisky again at home and, possibly, overseas. The Treasury is likely to lose more revenue at a time when it needs every penny."

After a 59p a bottle tax rise in March 2008, today's tax changes, taking account of the VAT reduction, will add another 29p on to a standard bottle of Scotch Whisky.

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1. Today's 8% excise duty rise, and the temporary 2.5% VAT cut, translates into a 4% increase in tax on a bottle of whisky. This comes on top of a 9% excise duty rise in March.
2. For further information, please contact David Williamson (0131 222 9230 or 07730 496 151).