

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Additional Estimates 2014 - 2015, 25 February 2015

Ref No: SQ15-000256

OUTCOME: 1 - Population Health

Topic: Taxation on Alcohol

Type of Question: Hansard Page 128, 25 February 2015

Senator: Di Natale, Richard

Question:

Senator DI NATALE: You can see that looks like a bottle of vodka, and in fact I think it is marketed as 'not like your cheap vodka', implying that it tastes like expensive vodka. That looks exactly like a bottle of Baileys. It has almost as much alcohol in it. They are made from grapes, so they are very, very cheap. I think that vodka is \$10. By the way, this is not an ad! So what is being done about that?

Mr Smyth: I would have to take that on notice, to be honest. I think that, if you are dealing with taxation arrangements, that is an issue for the Treasury. I would refer you to the Treasury.

Senator DI NATALE: It is not really a tax issue. It is effectively about how we regulate something. It is made from grapes, so it is legal, but it is clearly designed to exploit a loophole in the taxation of alcohol.

Mr Smyth: And that is where I would refer you to the Treasury.

Senator DI NATALE: But it is legal, so how is it dealt with through an alcohol strategy? What do we do about something like that?

Mr Smyth: Again, if I could take that on notice. Like I said, I have not come across those products previously.

Answer:

Taxation arrangements are a matter for the Department of the Treasury.

The process for developing the next National Alcohol Strategy has only recently commenced and it is not possible to pre-empt its content.