



15 February 2023

Personal and Indirect Tax, Charities and Housing Division  
Treasury  
Parkes ACT 2600  
Via email: [IndirectTax@treasury.gov.au](mailto:IndirectTax@treasury.gov.au)

Dear Treasury,

### **Streamlining excise administration**

I write in response to the Treasury review "Streamlining excise administration: Aligning reporting for smaller business and allowing small-scale takeaway beer sales".

#### **Background**

Excise on beer in Australia is exorbitantly high with Australia paying the fourth highest taxes in the world. I note:

- The increase in beer tax announced to take effect on 1 February 2023 will mean that the tax has gone up by around 8 per cent in the past six months.
- Hotels are having to pass on the tax to consumers on every beer they pour, making draught beer more unaffordable for Australian beer drinkers.
- We estimate that these increases will cost a small pub around \$5,400 a year and come after several years of difficult trading conditions associated with COVID-19 restrictions.

Therefore, any concessions to the current excise regime are welcomed and we support the changes set out in the explanatory materials.

#### **Small-scale repackaging of beer into smaller containers**

The AHA supports providing a targeted exemption from excise licensing requirements to venues repackaging duty-paid beer from kegs (and other large containers of specific kinds) into other sealed, non-pressured containers - of up to 2 litres, that are intended for short-term storage. We understand this exemption will apply only to small-scale operations, with a maximum of 10,000 litres per premises per year that can be repackaged.

#### **Aligning excise and customs reporting with other indirect taxes**

The AHA supports permitting alcohol businesses with an annual aggregated turnover of less than \$50 million to apply to lodge returns, and pay excise and excise-equivalent customs duty, on a quarterly basis rather than weekly or monthly. We understand this will help to ensure that the reporting schedule for businesses lodging returns for excise and excise-equivalent goods is aligned with other indirect taxes.

Yours faithfully,

**STEPHEN FERGUSON**  
NATIONAL CEO