



Budget 2016



Helping our craft spirit distillers export to markets around the world

The Coalition Government is providing targeted support to all small Australian alcohol producers that undertake distillation or fermentation (distillers).

The issue

Our spirits industry, particularly a number of craft distilleries located around Australia are world leaders in their field. This support will assist the domestic industry to grow and continue to compete on the world stage.

The assistance

The Government will extend the brewery refund scheme to domestic spirit producers including producers of whisky, vodka, gin and liqueur as well as producers of low strength fermented beverages such as non-traditional cider from 1 July 2017.

The brewery refund scheme currently provides eligible breweries with a refund of 60 per cent of excise paid up to \$30,000 per financial year.

The scheme will not be extended to most alcopop producers (i.e. those who merely purchase the spirits and add the soda and other flavours), nor to wine producers who benefit from the wine equalisation tax rebate.

There are approximately 100 distilleries in Australia who will be eligible for the scheme including many new whisky distillery start-ups in Tasmania.


Budget impact

The extended scheme is expected to cost \$9m over the next four years.

How an Australian craft distillery would benefit from the assistance

Tasmanian XYZ Whisky uses local barley to produce a niche market whisky. The spirit is barrelled for over 10 years, with traditional methods employed to ensure quality. Unlike the craft brewery located down the road, XYZ Whisky is not currently entitled to any excise refund scheme. From 1 July 2017, XYZ Whisky will be eligible to claim part of the excise it has paid to reinvest in the business to help develop its presence in world export markets.



 Spirit exports
\$200 million