



## ***AlcoDrop* exposes tax flaws – MPs to receive daily delivery of new products**

The Federal Government's ill-conceived tax hike on Ready-to-Drink (RTD) alcohol products has led to an increase in 'wine-pops', 'malternatives', high-strength beer and new cider products that avoid the flawed tax increase.

In a move to highlight yet another unintended, and potentially dangerous, consequence of the Government's RTD tax trial, the Distilled Spirits Industry Council of Australia (DSICA) will this week deliver daily samples of RTD 'look-alike and taste-alike' products to Government Members of Parliament and key Senators.

Stephen Riden, Information and Research Manager for DSICA, said the '*AlcoDrop*' initiative aimed to highlight the flaws in the alcohol tax system, which have been emphasised by the sharp tax hike on spirit-based RTDs alone.

DSICA has highlighted the ever-increasing range of new alcohol products that are taxed at a much lower rate than RTDs which **currently pay 87 cents** in alcohol tax per standard drink (excluding GST). These include:

- New high-strength beer – containing 6.5% alcohol yet taxed at less than half of the new RTD excise rate – **42 cents** in tax per standard drink;
- New fruit-flavoured flat and sparkling 'wine-pops', containing up to 12% alcohol yet taxed at around 16% of the new RTD excise rate – **14 cents** in tax per standard drink;
- New ciders, backed by million dollar marketing campaigns to boost sales in the category. Cider is taxed at a third of the new RTD excise rate – **29 cents** in tax per standard drink;
- New Beer-based 'malternatives' – containing 5-6% alcohol yet taxed at less than half of the RTD excise rate – **40 cents** in tax per standard drink.

"There are an increasing number of products available which for all intents and purposes are RTDs, yet because they use alcohol from sources other than spirits they are free from the clutches of the Government's tax grab," said Mr Riden.

"If the Government was serious about addressing problem drinking it would do away with the narrow tax trial on spirit-based RTDs and start taxing products on the amount of alcohol they contain. Australia's public health groups have consistently called for such a measure.

"The reality is that more and more of these wine and beer-based RTDs will come to market and more marketing muscle will be applied to beer, wine and cider, until a fairer taxation system for alcohol is introduced."

For information on the products included in the *AlcoDrop* delivery visit [www.alcotaxripoff.com](http://www.alcotaxripoff.com)

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