



# Hop on beer wagon

## Producer fights for exemption from alcopop tax

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THE mutant beer monster has grown a second head and threatens to gobble up the remaining credibility of the Federal Government's alcopops tax system.

After revealing the "malternative" beer that masquerades as vodka, *The Daily Telegraph* has learned that the maker of a similar product is paying the tax for drinkers while it challenges the classification of its product.

This presents a new headache for Health Minister Nicola Roxon, who already appears to have been bamboozled by Big Booze.

Ms Roxon responded to yesterday's front-page headline "Pop goes binge tax" by vowing to stop "shameful" alcohol companies from "getting around" Labor's levy — but struggled to detail how.

"We won't let them get away with it," Ms Roxon said. "Clearly the distributors themselves are trying to get around the current definitions of our taxation laws.

"If there are options that need definitions to change, need us to take further legislative action, we will

consider each and every one."

Acting Opposition health spokesman Mathias Cormann said: "The minister's statements that the Government would not let these companies get away with this and pursue legislation to fix these loopholes are completely laughable, given that the Government has still not introduced legislation to validate the original 70 per cent tax increase on alcopops."

Meanwhile the alcohol industry was ramping up its campaign against the tax by claiming the system had descended into the absurd.

Supporting that argument is the situation surrounding a drink called Bolt. Its maker, Independent Distillers, told *The Daily Telegraph* it was absorbing the \$15-a-case alcopops excise while it fights Customs to prove its product is a mutant beer and not subject to the tax.

Independent Distillers executive chairman Doug McKay said two independent lab tests showed Bolt contained hops, a key component to beer. Bolt's brewer had signed a statutory declaration to say hops was

included in the recipe.

"We are very confident that we have met the definition" of beer, Mr McKay said.

And the maker of Smirnoff Platinum — the new clear, citrus-flavoured drink with a vodka brand name — said it had obtained confirmation from the Australian Tax Office its product was a beer.

"It's being taxed as a beer and being sold as a beer and that's that," Diageo's Bob Rayner said.

Distilled Spirits Industry Council of Australia spokesman Stephen Riden said the emergence of Smirnoff Platinum showed the "absurdity" of the Government's alcopops tax system.

The DSICA is lobbying for all alcoholic drinks to be taxed according to their strength.



Audio: Nicola Roxon  
battles the beer monster  
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