# Submission to the Inquiry into the Australian grape and wine industry

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| **Date** | 2015-05-29 11:52:21 |
| **Categories** | Policy submissions  |

### FARE’s submission to the Inquiry into the Australian Grape and Wine Industry makes five key recommendations for the Committee to address issues regarding the production and sale of cheap and low quality wines in Australia. This includes reviewing and reforming the Wine Equalisation Tax (WET) and its accompanying policy the WET rebate.

FARE’s submission to the *Inquiry into the Australian Grape and Wine Industry* makes five key recommendations for the Committee to address issues regarding the production and sale of cheap and low quality wines in Australia. This includes reviewing and reforming the Wine Equalisation Tax (WET) and its accompanying policy the WET rebate.

## Recommendations

FARE makes the following recommendations to the Rural and Regional Affairs and Transport References Committee regarding the Inquiry into the Australian grape and wine industry:

1. That the Inquiry recommends that clear objectives be developed for wine taxation that addresses the economic externalities created by the current tax arrangements.
2. That the Inquiry recommends that the ad valorem Wine Equalisation Tax be abolished and replaced with a volumetric tax rate.
3. That the Inquiry acknowledges that the Wine Equalisation Tax rebate is not meeting its original policy intent of supporting small producers in regional and rural Australia.
4. That the Inquiry recommends that the Wine Equalisation Tax rebate be abolished.
5. That the Inquiry recommends than an industry adjustment package is only necessary to facilitate the need for structural change in the wine industry. This should be independent of the tax system.

[view the submission](/wp-content/uploads/FARE-submission-to-the-Inquiry-into-the-Australian-grape-and-wine-industry-29-May-2015.pdf)

### Metadata