

Alok Sharma, MP for Reading West

14th January 2015

Dear Constituents,

Thank you for contacting me about alcohol duty.

I know the wine, spirits, beer and cider industries, ranging from producers and suppliers to pubs, hotels and restaurants, play an important role in providing employment, not least here in our constituency. I have therefore made the Treasury team aware of the points you raise.

Moreover, I am pleased the Chancellor has listened to the concerns of many individuals on this issue and taken action in previous Budgets, including the abolition of the alcohol duty escalator. In addition, the duty on ordinary cider has been frozen this financial year and the duty escalator for wine will end, keeping the duty on wine and beer broadly similar. This is on top of the cut in beer duty last year that means a pint of beer is 8p cheaper than under the previous Government's duty plans.

However, as I am sure you will recognise, the Government's key priority is to restore the public finances to a sustainable position and it has therefore chosen to prioritise tax cuts in certain areas. For example, the cuts in corporation tax from 28 per cent in 2010 to 21 per cent this year and the introduction of the Employment Allowance that will help businesses right across the UK, including in the beer, wine and spirits industries.

I hope this sustained support is of reassurance. I am informed that the Government will consider calls for further help for the wine and spirits sector as part of the normal Budget process, alongside its commitment to restoring the public finances.

Thank you again for taking the time to contact me.

Yours sincerely,



Alok Sharma MP