



Rob Oakeshott MP
FEDERAL MEMBER FOR LYNE



MEDIA RELEASE

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OAKESHOTT SUPPORTS TAX BREAK FOR SMALL AUSTRALIAN BREWERS

INDEPENDENT Lyne MP Rob Oakeshott has moved a motion in the House of Representatives calling for fairer tax treatment of Australian owned 'microbreweries'.

"The origin of this motion can be found in the very different circumstances of one small business, and one big business," Mr Oakeshott said.

"The aptly named Little Brewing Company operates in Port Macquarie's industrial area – an award winning family business producing 'craft beers' of distinction.

"In the lead up to last year's October National Tax Forum, Kylie Little announced that she was tired of being a tax collector first, and a brewer second.

"Unlike small wineries, small brewers don't get a significant rebate of the excise on sales they must collect – they only get \$10,000 back.

"The excise is holding this business back, and other businesses like them, keeping them from growing and potentially employing more workers.

"Also in the lead up to last year's National Tax Forum, the foreign owned SAB Miller announced its purchase of Fosters for more than \$10 billion.

"An era of big Australian-owned breweries ended with that announcement, and was a signal to consider how we can support small Australian brewers," Mr Oakeshott said.

In 2000 the Howard government introduced the Microbrewery Refund to nurture the development of small craft breweries, by rebating beer excise of up to \$10,000 to brewers of less than 30,000 litres of beer a year – these levels have not moved since. The Australian Association of Microbrewers has campaigned for the rebate to be lifted to \$500,000 to match the tax rebate available to small winemakers. A 2007 study suggested this reform could in fact increase government revenue by removing a major barrier to microbrewery growth.

It's understood more than half of Australia's microbrewers are regionally located, and many are major tourist attractions.

"Alcohol tax was off the agenda at the National Tax Forum – wrongly in my opinion – and that is why I have brought this motion before Parliament," Mr Oakeshott said.

Ends

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