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## Whisky makers crippled by George Osborne's 'unfair' taxes as 79% of each bottle is tax

- [17:14, 31 January 2015](#)
- By [Stephen Hayward](#)

**For every bottle sold in Britain up to 79% of the cost is tax, compared to just 46% in Germany and more than Bulgaria, Croatia, Italy and Spain combined**

Getty / PA



Tax fury: Distillers are calling for Osborne to give them a tax cut

Scotch whisky makers have attacked [Chancellor George Osborne](#) for crippling them with “unfair” tax.

They have complained that for every bottle sold in the UK 79 per cent of the price paid is tax.

That means for a £12.50 bottle of Bells £7.90 is taken in duty and £2.08 in VAT.

In Germany tax on whisky is 46 per cent while in France it is 49 per cent.

David Williamson of the Scotch Whisky Association said: "Distillers need a firm base in the UK to invest and then export but high taxes act as a barrier to growth.

"That's not fair to British consumers and such high taxes hit smaller distillers and businesses hard."

The industry wants a 2% duty cut for spirits at next month's Budget.

The Treasury said it helped [distillers](#) by freezing duty in last year's Budget.

### **Whisky tax**

UK France Germany Holland Country 01020304050607080 Tax %

UK drinkers already pay more tax on spirits than those in Bulgaria, Croatia, Italy and Spain combined.

In Germany, the [tax](#) on whisky is 46 per cent, in France it is 49 per cent while in Holland it is 44 per cent.

Scotch whisky is one of the biggest industries in the UK food and drink sector, generating £5bn in sales last year.

Producers say cutting duty would boost public finances by £1.5bn through increased investment and more tax from VAT and corporation tax and from new jobs created across the industry.

A Treasury spokesman said the Government had already shown support for whisky producers by ditching plans to hike the duty further.

He said: "Scotch whisky is a huge British success story. To support the industry we ended the spirits duty escalator and froze the duty on whisky and other spirits in last year's Budget."

### **How spirits are taxed**

- £12.50 bottle of Bells: £7.90 duty and £2.08 VAT - total £9.98 tax
- £12.00 bottle of Smirnoff: £7.41 duty and £2 VAT - total £9.41 tax
- £12.50 bottle of Gordons £7.41 duty and £2.08 is VAT - total of £9.49 tax