

News story: Treasury backs British brewers with duty freeze

- from today, taxes on beer, cider and spirits are frozen for another year, keeping costs down for industry and consumers alike
- alcohol duty cuts and freezes over the last six years have provided £4.4 billion of support to pubs and drinks industry
- a typical pint of beer is 14 pence cheaper than if taxes had risen in line with inflation

Beer lovers, brewers, and landlords alike can raise a toast today as Dry January comes to an end and alcohol duties are frozen for another year.

The Chancellor, Philip Hammond, during a visit to an independent brewery in Liverpool, praised the contributions made by the British beer and drinks industry to the economy and communities, including local pubs.

Philip Hammond, Chancellor of Exchequer, said:

In recognition of the important contribution of British pubs and drinks makers to our communities, I have frozen taxes on beer, cider and spirits again this year.

These duties would have otherwise come into effect today but instead we're supporting an industry that employs 900,000 people across the UK. Whether it's local pubs, craft cider mills or independent distillers, this government is helping these businesses to thrive and ensuring they remain at the heart of our economy.

Previously announced in the 2018 Budget, the freeze will keep costs down for beer, cider and spirits, and builds on the numerous cuts and freezes to duty by the government since 2013. The move has saved the public an average of 14 pence on every pint of beer, 4 pence on a pint of cider and £1.50 on a bottle of Scotch whisky.

As well as the duty freeze, the Treasury also announced at Budget that it will be looking at the Small Brewers Relief to make sure the scheme continues to support the country's smallest beer makers, helping them to grow and expand into new markets. A survey asking small brewers for their views on the relief was launched this week.

Mike Benner, Chief Executive of Society of Independent Brewers (SIBA), said:

The freeze in beer duty is good news for UK brewers, publicans and beer drinkers. A planned rise in line with inflation would have meant a £100 million hit to Britain's brewers. We will be toasting the Chancellor this week with a well-deserved pint.

Small Brewers Relief has been a great success in enabling the explosion in the number of craft breweries and the world-beating beer they brew. Positive reform is now required in order to ensure it continues to support a healthy and sustainable sector and this review will help to deliver that.

In addition to pubs, the duty freeze on cider will support the economies of British rural communities and help fuel investment and innovation in whisky and gin producers.

Keeping duty down will also help businesses to expand and take advantage of exporting opportunities and build on previous successes, such as Scotch whisky exports which totalled over £4 billion in 2017 and the current 'ginnaissance' occurring in England.