# *European spirits producers face Swiss tax ‘double-whammy’*

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**Brussels – 20 September 2013**. Yesterday, the National Council (Swiss Lower House) voted in favour of a tax break\* for distilled spirits from red fruits and fruits from pips and nuts – in effect, a tax break for Swiss producers not available to importers. spiritsEUROPE have condemned this discrimination.

“The cherry on the cake is that at the same time, the Council also decided to increase the excise tax on spirits from CHF 29 to 32 to make up for the shortfall that is to be expected by the introduction of yield taxation!” said Paul Skehan, Director General of spiritsEUROPE. “The discriminatory effect of this new tax break is not acceptable and goes against the WTO or the EU-Switzerland FTA rules,” he added.

spiritsEUROPE will ask the European Commission how they intend to stop this unlawful discrimination against European spirits imported products.

“That said, we very much welcome the decision by the Council to reject a proposal to introduce a minimum unit price on alcoholic beverages in Switzerland,” Skehan concluded.

*ENDS*

***More information at*** [*spirits.eu*](http://spirits.eu/page.php?id=39&parent_id=8#.ULY8pazAfkY)

\* This discriminatory yield taxation would introduce a fictitious production figure (the ‘yield’) to be set in advance by the Government. Production volumes within that yield will be taxed at 70% of regular rate and the volumes exceeding that yield will be fully tax exempt (provided the extra volumes do not amount to more than 30% of yield). As the scheme will be open to Swiss distillers only, it will mean that, one way or another, they get a tax break for volumes up to 130% of their expected yield.

spiritsEUROPE is the representative body for the spirits industry at European level comprising 31 national associations and 8 multinational companies. With over €10bn in exports in 2012, **the European spirits industry is the** [largest exporter](http://spirits.eu/page.php?id=30&parent_id=6) **in the agro-food sector**.