

MEDIA RELEASE

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Winemakers' Federation of Australia welcomes WET reform

The Winemakers' Federation of Australia (WFA) today welcomes the Government's announcement on reform of the Wine Equalisation Tax (WET) rebate.

"The wine industry has fought long and hard for reform of the WET rebate eligibility criteria. The consultation process driven by Minister Ruston demonstrated the Government's willingness to listen to industry concerns and deliver a positive outcome. Today's decision will put an end to uncertainty and put the industry in a stronger long-term position," Tony Battaglione, WFA CEO said.

"The return of integrity to the WET rebate was the main consideration for WFA. The measures announced today deliver on that need.

"WFA is very pleased that the Government has reconsidered its decision to reduce the WET rebate cap to \$290,000, today announcing it will maintain the cap at \$350,000. This rebate is critical to rural and regional communities and jobs, as well as future investment and growth.

"The announcement of the \$100,000 grant scheme, focusing on investment at the cellar door and supporting regional growth is also a very positive outcome for small and medium winemakers and reflects industry calls for a re-focus of investment at the local level.

"Critically, the deferral of the rebate reduction to 1 July 2018 will allow the industry more time to adjust.

"An outcome of a cap at \$350,000, combined with the acceptance of industry's eligibility definitions, and the \$100,000 grant scheme, is significantly better than the Budget 2016 outcomes and provides a platform for future growth. The revised eligibility criteria also strengthen the industry by recognising alternative business models including emerging winemakers who are making their start.



“Growers and winemakers can now start the 2017 vintage with clarity about the WET Rebate. We congratulate the Government on their efforts and look forward to working with them to support our great sector.”

The WET imposes a 29 per cent tax on wine products, separate to the GST, and the capped rebate is used by the industry to reinvest in their businesses to create growth and jobs in rural and regional Australia.

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MEDIA NOTE: Available for interview - WFA Chief Executive Tony Battaglione – 0413 014 807

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