

WRITTEN QUESTION E-1732/03  
by Freddy Blak (GUE/NGL)  
to the Commission

Subject: Discriminatory Danish excise duty on beer

Beer imported into Denmark is subject to duty based on the original gravity of the beer before fermentation or degrees Plato, which is an expression of the nutrient content of the beer. The more 'body' the beer has, the higher the percentage of alcohol, though the link between them is not straightforward, which creates problems since beer with identical alcohol content is subject to different rates of taxation in a number of cases. This system benefits Danish beer as it appears that only Danish breweries are able to produce beer with an alcohol content of 4.6% (tax bracket 1) from the added quantity of sugar and yeast (original gravity of the beer/degree Plato). Furthermore, the Danish system of duty is divided into steps which are closely aligned with the Danish brewing tradition. This means that only Danish Pilsner qualifies for the lowest tax bracket, 1. All other (foreign) beer automatically falls into a higher tax bracket because different quantities of sugar/yeast are used in the brewing process abroad. As a result, beer of the same or even lower alcoholic strength is assigned to tax bracket 2 or above, which has a directly discriminatory effect. It would therefore be more appropriate to calculate duty with reference to the absolute percentage of alcohol and not the original gravity/degree Plato of the beer. Calculating on that basis would also be more fitting from a health point of view.

Does the Commission intend to raise this problem with the Danish Government?