WRITTEN QUESTION P-1835/03 by Jean-Thomas Nordmann (ELDR) to the Commission

Subject: Tax on spirits in Ireland

Last December, in connection with Ireland's 2003 budget, the Irish Government decided to increase duty and taxes on spirits by 42%.

Irish duty and taxes on spirits currently amount to \in 39.25 per litre of pure alcohol, which is double the rate for beer and cider (\in 19.87 per litre of pure alcohol).

Close to 90% of beer and cider consumed in Ireland is produced locally, whereas a considerable proportion of spirits is imported, in particular brandy, for which Ireland represents a major export market amounting to some 2 million litres.

What is the basis for this discriminatory measure against spirits consumed in Ireland, in particular brandy, while spirits exported from Ireland, in particular Irish whiskey, benefit from markedly lower levels of taxation in most other European countries?

498865.EN PE 332.735