



Fiscal Policy

Alcohol Tax

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Outline

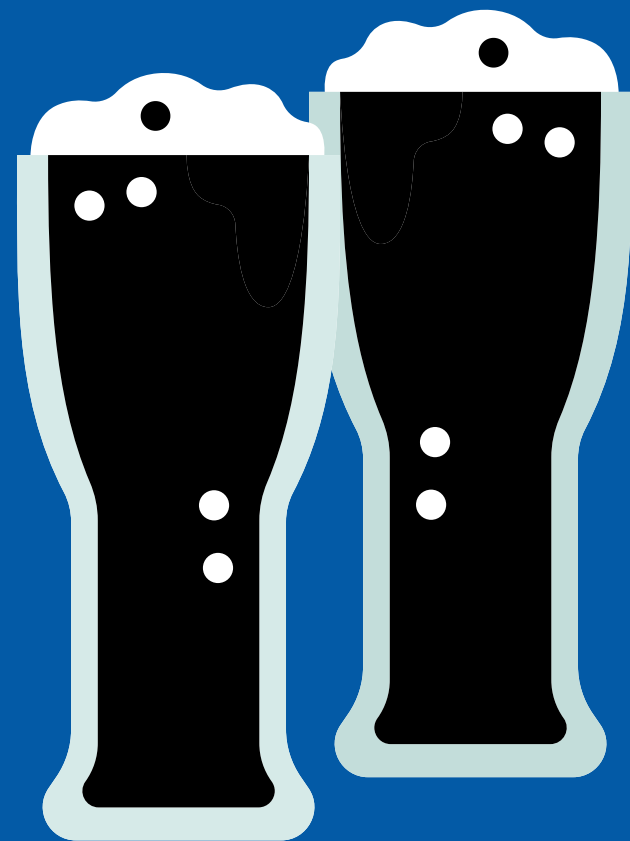


- Hungry
- Ireland
- France
- Turkey
- Esscaland



COUNTRY #2

Ireland



Spirits - €11.92 Excise duty per 70CL @ 40%



Beer – Between 0.5% - 1.2% - €0 per hectolitre per cent of alcohol in beer

1.2% – 2.8% - €11.27 per hectolitre per cent of alcohol in beer

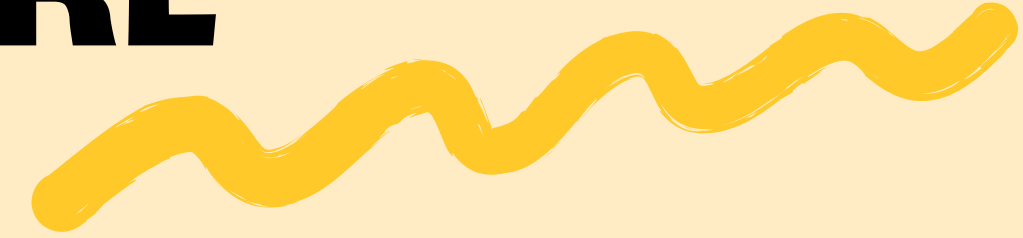
2.8%+ - €22.55 per hectolitre



Wine – 5.5%-15% - €424.84 per hectolitre

More than 15% - €616.45 per hectolitre

Revenue and Costs for IRL



Value of excise tax on alcohol in Ireland 2020

Beer: 351 m Wine: 425 m Spirits: 374 m Cider: 53 m

TOTAL = 1.2 billion

Cost of:



Health care system: **1.2m**



Output lost due to related absence from work: **330m**



Related suicides: **167m**



Accidents at work: **197m**



Related road accidents: **526m**



Premature mortality: **110m**

Related crime: **1.19m**

Total: 1.2 billion - 3.719 billion = -2.519 Billion



COUNTRY #3

Turkey



✿ **Wine** – 8.3 TL excise duty 26% per 70CL

✿ **Beer** – 13 TL 47.6% per 50 CL

✿ **Raki** – 104 TL 61.1% per 70 CL

✿ **Whiskey** – 93 TL 37%

Revenue and Costs for Turkey

Value of excise tax on alcohol in Turkey 2020

Total Revenue = 2,54 billion dollars

Cost of:

- ✿ Motor vehicle accidents = 3.6 billion dollars
- ✿ Fires = 507 million dollars
- ✿ Criminal justice = 3.1 billion dollars
- ✿ Social programs = 54 million dollars

Total Cost: 7.261 billion dollars



COUNTRY #4

France



Spirits - 578,80€ per hectolitre of pure alcohol



Beer - Beer with more than 2,8 % vol. alcohol content : 7,68 €/degree/hl



Wine - 3,91€ per hectolitre of product



Other intermediate product:
port, pineau : 195,47 €/hl

COUNTRY #4

Costs for national economy (in Million)

France



Cost of lives lost : -65 941



Cost of life quality loss: 39 530



Lost of production : -9 042



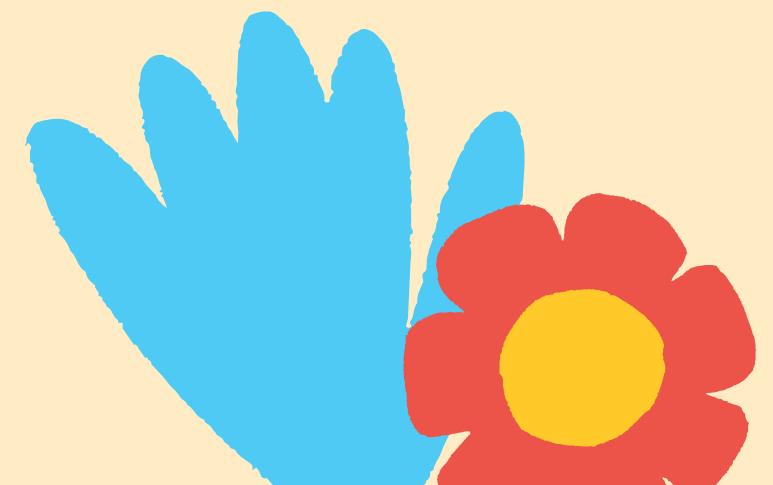
Cost of care: -8 565



Prevention and repression : -283



Total Cost = 123,4 billion



COUNTRY #1

Hungary



Spirits - € 2.79 Excise duty per 70CL @ 40%



Beer – €4,5/ percentage of alcohol per hectoliter



Sparkling drinks (wine, champagne) – €45 per hectolitre



Intermediate products - €71 per hectolitre

EUROPEAN UNION

EU regulation for minimum taxes



Spirits - 550€ per hectolitre of pure alcohol



Beer - 1.87€ per hectolitre per degree alcohol



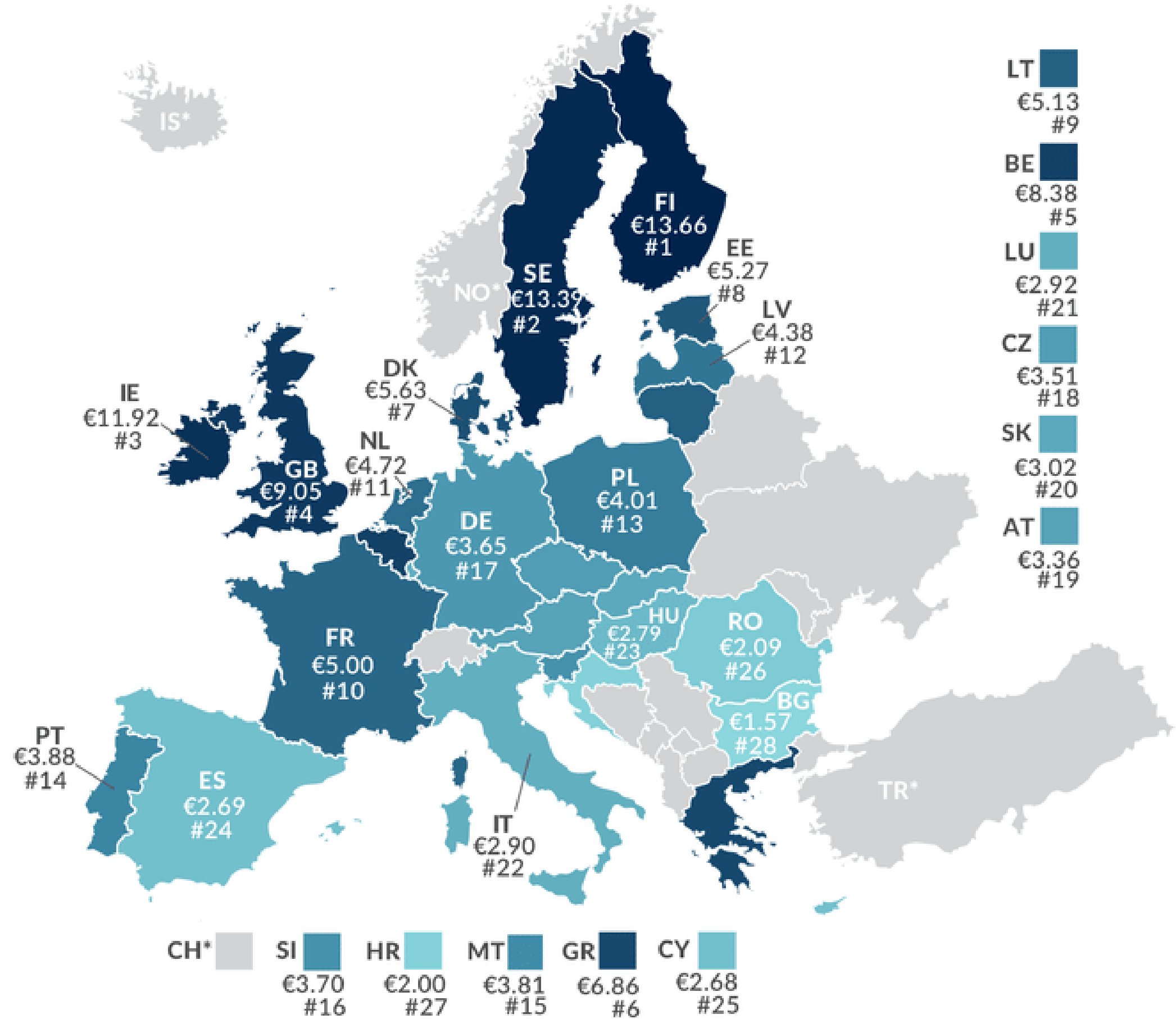
Wine (still and sparkling) - 0€



Intermediate Product (e.g. port, sherry) - 45€ per hectolitre of product

Distilled Spirits Taxes in Europe

Excise Duties per 700ml (23.7oz) Liquor Bottle
at 40% abv in EU Member States, as of January 1, 2020



ESSCALAND

In **the EU**

Location: an **Island**

We grow : apple, hops, barley (other grains and cereals)

Cultivation for cider and beer production

=specific industry support

Low alcohol % = **less** incidents = less health care costs

To be as **environmentally** friendly as possible, we will limit the production of alcohol and use only **glass bottles**

Each inhabitant will receive a **sum of money** in proportion to their bottle recycling



Taxation

Taxation on the alcohols **based on the %** of alcohol in the drink

Low tax rate on the soft drinks (less than 5%)

High import taxes on hard liquor to reduce consumption



ESSCALAND

Social consequences

To reduce the development of light alcohol addicts Esscaland will invest into prevention in education, speaking about addiction. And psychological help, with hotlines, anonymus group therapies.

Esscaland will control the import of hard liquor very strictly, by imposing a high percentage of taxes, people will tend to try to get it cheaper illegally.

Political consequences

Political opposition in Esscaland may promise to change tax rates in favour of heavy drinkers



COUNTRY #5

ESSCALAND



Spirits - € 10,1 Exise duty per 70CL @ 40%



Beer – Beer with more than 2,8 % vol. alcohol content : €0



Wine (still wine) - €361,1



Sparkling drinks (wine, champagne) – €722,2 per hectolitre

Intermediate products - €523,9 per hectolitre



Type of alcohol	EU min. tax	Tax in Hungary	Ireland	Esseland	
Spirit	550 EUR/hl to pure alcohol	333 385 Ft	11,92	10,132	
Still wine	no min	no tax	424,84	361,114	
Other low percentage alcohol drinks (like cider)	no min	9 870 Ft/hl	309,84	0	
Other low percentage alcohol drinks (like beer)	no min	45,7362 EUR/hl	619,7	0	
Sparkling wine/ Champagne/ other sparkling wine	no min	16 460 Ft/hl	849,68	722,228	
Intermediate alcohol products	45 EUR/hl	25 520 Ft/hl	616,45	523,9825	
Beer	1,87 EUR/percent of alcohol/hl	1 620 Ft/hl	22,55	0	





**Thank you for
Listening !**

Sources

Tax Foundation

<https://taxfoundation.org/eu-excise-duty-on-alcohol-eu-distilled-spirits-taxes-2020/>

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Jövedéki adó Magyarországon

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