Dear [name of MP]

I note with concern the Chancellor’s decision in the autumn budget to impose a further duty increase on top of the significant increases in recent years.

Whilst I understand and support the need to support sound public finances, the evidence is that these increases are counterproductive and actually reduce tax take to the Treasury; something that makes no sense.

Alcohol sales in the UK have declined following last year’s largest alcohol tax hike for 50 years, which saw more than 10% duty increases for spirits and beer and at least a 20% increase in duty for most wine. The latest HMRC figures show that between September to August, year on year, alcohol duty increases have resulted in a massive £1.3 billion (10%) drop in revenues to the Exchequer (incidentally practically the same amount of money saved by the winter fuel allowance savings). The most pronounced decrease was for receipts from spirits which plummeted by £757 million. Wine receipts were also down by £238 million, while beer and cider receipts were down £320m and £24 million respectively.

If duty rates continue to rise and sales continue to fall, Government doesn’t just lose out on duty receipts, but VAT receipts will be down too.

The Prime Minister and Chancellor have been unequivocal in setting out the need to achieve economic growth and in signalling that the pressures on public expenditure mean difficult decisions. Continuing to increase duty serves only to **reduce** income to Government further at a time it can least afford it.

I’d also urge you to raise the issue of the ridiculous and bureaucratic duty “simplification” introduced by the last government and championed by Rishi Sunak when chancellor. This takes the three previous duty bands (wine less than 11.5% strength, wine between 11.5% and 14.5%, and wine at 15% or above) and “simplifies” them into bands of 0.1%, creating – unbelievably - **thirty** excise bands between 11.5% and 14.5%. Perhaps recognising what a dog’s breakfast this was going to be to implement, the previous government delayed the introduction of this but the current “easement” is scheduled to end on 1st February 2025.

At the time the policy was launched, the Treasury stated that their aim was to create a duty system that would be simpler and fairer for wine business to administer. The reality will of course be to load further administrative costs and bureaucracy onto wine merchants and importers large and small. Wine is the most popular alcoholic drink in the UK and we are also the second biggest importer of wine in the world, but if this “simplification” goes ahead it will lead to increased duty and higher consumer prices (a bottle of 14.5% wine will go from £2.67 to £3,21 as an example – and that’s before the duty increases announced in the Budget); revenue to the treasury will fall (see third paragraph, above); and many small wine importers, already hit by increased transport costs, Brexit, increased employer’s NI and a host of other inflationary increases, will find this the final straw.

**This is an easy win**. Overturn one of the previous government’s many idiocies; support consumer choice in the UK for millions of voters; avoid adding further inflationary pressures to the economy; and avoid a further reduction in treasury income as a result.

I urge you to take this up with your treasury colleagues and look forward to hearing your thoughts.

Yours sincerely