

House of Representatives
Supplementary Order Paper

Wednesday, 26 September 2012

Alcohol Reform Bill

Proposed amendments

Kevin Hague, in Committee, to move the following amendments:

New Part 8A

After *Part 8* (after line 1 on page 246), insert:

Part 8A

**Amendment to Excise and Excise-equivalent
Duties Table**

399A Amendment to Excise and Excise-equivalent Duties Table

The Excise and Excise-equivalent Duties Table is amended in accordance with section 76G(2) of the Customs and Excise Act 1996 by omitting so much as relates to the rates of duty in Excise item numbers 99.05.10D, 99.05.20A, 99.05.30J, 99.05.40F, 99.05.51A, 99.05.60L, 99.06.10L, 99.06.20H, 99.06.30E, 99.06.40B, 99.06.51H, 99.06.60G, 99.10.25F, 99.10.50G, 99.20.11A, 99.20.20L, 99.25.11C, 99.25.20B, 99.30.21D, 99.30.26E, 99.30.32K, 99.30.47H, 99.30.59A, 99.30.62A, 99.35.20H, 99.35.40B, 99.35.50K, 99.45.10F, 99.45.15G, 99.45.20C, 99.45.25D, 99.45.30L, 99.45.35A, 99.45.40H, 99.45.45J, 99.45.72F, 99.45.76J, 99.45.78E, 99.45.80G, 99.45.86F, 99.45.90D, 99.50.10K, 99.50.14B, 99.50.40A, 99.50.50J, 99.50.60F, 99.50.65G, 99.50.76B, and 99.50.85A, and Tariff items 2105.00.21, 2105.00.29, 2105.00.31, 2105.00.39, 2105.00.42, 2105.00.49, 2106.90.92, 2106.90.93, 2106.90.94, 2106.90.95, 2106.90.98, 2106.90.97, 2203.00.12, 2203.00.22, 2203.00.31, 2203.00.39, 2204.21.13, 2204.29.13, 2204.10.01, 2204.10.18, 2204.21.18, 2204.29.18, 2205.10.12, 2205.10.33, 2205.90.12, 2205.90.33, 2205.10.19, 2205.10.38, 2205.90.19, 2205.90.38, 2206.00.08, 2206.00.17,

2206.00.28, 2206.00.37, 2206.00.47, 2206.00.57, 2206.00.68,
2206.00.78, 2206.00.89, 2207.10.19, 2207.10.29, 2207.20.49,
2208.20.04, 2208.20.08, 2208.30.04, 2208.30.08, 2208.40.04,
2208.40.08, 2208.50.04, 2208.50.08, 2208.60.19, 2208.60.29,
2208.20.19, 2208.90.48, 2208.90.62, 2208.90.68, 2208.90.72,
2208.90.78, 2208.90.85, 2208.20.29, 2208.30.19, 2208.40.19,
2208.50.19, 2208.60.99, 2208.90.97, 2208.70.30, 2208.70.40,
2208.70.50, 2208.70.60, 2208.70.71, 2208.70.80, 2208.90.06,
and 2208.90.08 and substituting them with the Excise item
numbers (including their heading, goods and unit descrip-
tions) and new rates of duty as specified in Schedule 4.

New Schedule 4

After *Schedule 3* (after line 5 on page 269), insert:

Schedule 4

s 399A

Amendments to Excise and Excise-equivalent Duties Table

Part A

Goods manufactured in New Zealand

Excise item number	Goods	Unit	Rates of duty
99.05	Ice cream and other edible ice which, if imported, would be classified within Tariff item 2105.00.21, 2105.00.29, 2105.00.31, 2105.00.39, 2105.00.42, or 2105.00.49:		
99.05.10D	– Containing more than 1.15 % vol., but not more than 2.5 % vol.	per l	62.109¢
99.05.20A	– Containing more than 2.5 % vol., but not more than 6 % vol.	per 1 al	\$41.4135
99.05.30J	– Containing more than 6 % vol., but not more than 9 % vol.	per 1	\$3.3129
99.05.40F	– Containing more than 9 % vol., but not more than 14 % vol.	per 1	\$4.1435
99.05.51A	– Containing more than 14 % vol., but not more than 23 % vol.	per 1 al	\$75.426
99.05.60L	– Containing more than 23 % vol.	per 1 al	\$75.426
99.06	Food preparations not elsewhere specified or included containing alcohol, which, if imported, would be classified within Tariff item 2106.90.92, 2106.90.93, 2106.90.94, 2106.90.95, 2106.90.97, or 2106.90.98:		
99.06.10L	– Containing more than 1.15 % vol., but not more than 2.5 % vol.	per 1	62.109¢
99.06.20H	– Containing more than 2.5 % vol., but not more than 6 % vol.	per 1 al	\$41.4135
99.06.30E	– Containing more than 6 % vol., but not more than 9 % vol.	per 1	\$3.3129
99.06.40B	– Containing more than 9 % vol., but not more than 14 % vol.	per 1	\$4.1435
99.06.51H	– Containing more than 14 % vol., but not more than 23 % vol.	per 1 al	\$75.426
99.06.60G	– Containing more than 23 % vol.	per 1 al	\$75.426

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Alcohol Reform Bill

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Part A—continued

Excise item number	Goods	Unit	Rates of duty
99.10	Beer made from malt which, if imported, would be classified within Tariff item 2203.00.12, 2203.00.22, 2203.00.31, or 2203.00.39:		
99.10.25F	– Containing more than 1.15% vol., but not more than 2.5% vol.	per l	62.109¢
99.10.50G	– Containing more than 2.5% vol.	per 1 al	\$41.4135
99.20	Wine of fresh grapes, and grape must with fermentation prevented or arrested by the addition of alcohol, including sparkling, fortified and table wine which, if imported, would be classified within Tariff item 2204.10.01, 2204.10.18, 2204.21.13, 2204.21.18, 2204.29.13, or 2204.29.18:		
99.20.11A	– Containing more than 14% vol., fortified by the addition of spirits or any substance containing spirit	per 1 al	\$75.426
99.20.20L	– Other	per 1	\$4.1435
99.25	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances which, if imported, would be classified within Tariff item 2205.10.12, 2205.10.19, 2205.10.33, 2205.10.38, 2205.90.12, 2205.90.19, 2205.90.33, or 2205.90.38:		
99.25.11C	– Containing more than 14% vol., fortified by the addition of spirits or any substance containing spirit	per 1 al	\$75.426
99.25.20B	– Other	per 1	\$4.1435
99.30	Other fermented beverages (for example, cider, perry, mead) which, if imported, would be classified within Tariff item 2206.00.08, 2206.00.17, 2206.00.28, 2206.00.37, 2206.00.47, 2206.00.57, 2206.00.68, 2206.00.78, or 2206.00.89:		
99.30.21D	– Containing more than 1.15% vol., but not more than 2.5% vol.	per 1	62.109¢
99.30.26E	– Containing more than 2.5% vol., but not more than 6% vol.	per 1 al	\$41.4135
99.30.32K	– Containing more than 6% vol., but not more than 9% vol.	per 1	\$3.3129
99.30.47H	– Containing more than 9% vol., but not more than 14% vol.	per 1	\$4.1435
99.30.59A	– Containing more than 14% vol., but not more than 23% vol.	per 1 al	\$75.426

Part A—continued

Excise item number	Goods	Unit	Rates of duty
99.30.62A	– Containing more than 23% vol.	per 1 al	\$75.426
99.35	Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol. or higher, and ethyl alcohol and other spirits, denatured of any strength which, if imported, would be classified within Tariff item 2207.10.19, 2207.10.29, 2207.20.01, or 2207.20.49:		
	– Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol. or higher:		
	– – Rectified spirits of wine:		
99.35.20H	– – – Other	per 1 al	\$75.426
	– – Other kinds:		
99.35.40B	– – – Other	per 1 al	\$75.426
	– Ethyl alcohol and other spirits, denatured, of any strength:		
99.35.50K	– – Other	per 1 al	\$75.426
99.45	– Spirits and spirituous beverages which, if imported, would be classified within Tariff item 2208.20.04, 2208.20.08, 2208.20.19, 2208.20.29, 2208.30.04, 2208.30.08, 2208.30.19, 2208.40.04, 2208.40.08, 2208.40.19, 2208.50.04, 2208.50.08, 2208.50.19, 2208.60.19, 2208.60.29, 2208.60.99, 2208.90.48, 2208.90.62, 2208.90.68, 2208.90.72, 2208.90.78, 2208.90.85, or 2208.90.97:		
	– – Spirits and spirituous beverages the strength of which can be ascertained by OIML hydrometer:		
99.45.10F	– – – Brandy	per 1 al	\$75.426
99.45.15G	– – – Whisky (other than blended)	per 1 al	\$75.426
99.45.20C	– – – New Zealand whisky blended with imported whisky	per 1 al	\$75.426
99.45.25D	– – – New Zealand grain ethanol blended with imported whisky	per 1 al	\$75.426
99.45.30L	– – – Rum and tafia	per 1 al	\$75.426
99.45.35A	– – – Gin and Geneva	per 1 al	\$75.426

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Part A—continued

Excise item number	Goods	Unit	Rates of duty
99.45.40H	--- Vodka	per 1 al	\$75.426
99.45.45J	--- Other	per 1 al	\$75.426
	-- Other:		
99.45.72F	--- Containing more than 1.15% vol., but not more than 2.5% vol.	per 1	62.109¢
99.45.76J	--- Containing more than 2.5% vol., but not more than 6% vol.	per 1 al	\$41.4135
99.45.78E	--- Containing more than 6% vol., but not more than 9% vol.	per 1	\$3.3129
99.45.80G	--- Containing more than 9% vol., but not more than 14% vol.	per 1	\$4.1435
99.45.86F	--- Containing more than 14% vol., but not more than 23% vol.	per 1 al	\$75.426
99.45.90D	--- Containing more than 23% vol.	per 1 al	\$75.426
99.50	-- Liqueurs, cordials, and bitters which, if imported, would be classified within Tariff item 2208.70.30, 2208.70.40, 2208.70.50, 2208.70.60, 2208.70.71, 2208.70.80, 2208.90.06, or 2208.90.08:		
	-- Bitters:		
99.50.10K	-- Containing not more than 23% vol.	per 1 al	\$75.426
99.50.14B	--- Containing more than 23% vol.	per 1 al	\$75.426
	-- Liqueurs and cordials:		
99.50.40A	-- Containing more than 1.15% vol., but not more than 2.5% vol.	per 1	62.109¢
99.50.50J	--- Containing more than 2.5% vol., but not more than 6% vol.	per 1 al	\$41.4135
99.50.60F	--- Containing more than 6% vol., but not more than 9% vol.	per 1	\$3.3129
99.50.65G	-- Containing more than 9% vol., but not more than 14% vol.	per 1	\$4.1435
99.50.76B	--- Containing more than 14% vol., but not more than 23% vol.	per 1 al	\$75.426
99.50.85A	--- Containing more than 23% vol.	per 1 al	\$75.426

Part B
Imported goods

Tariff item number	Goods	Unit	Rates of duty
21.05	Ice cream and other edible ice which, if manufactured in New Zealand, would be classified within Excise item number 99.05.10D, 99.05.20A, 99.05.30J, 99.05.40F, 99.05.51A, or 99.05.60L:		
2105.00.21	– Containing more than 1.15 % vol., but not more than 2.5 % vol.	per l	62.109¢
2105.00.29	– Containing more than 2.5 % vol., but not more than 6 % vol.	per l al	\$41.4135
2105.00.31	– Containing more than 6 % vol., but not more than 9 % vol.	per l	\$3.3129
2105.00.39	– Containing more than 9 % vol., but not more than 14 % vol.	per l	\$4.1435
2105.00.42	– Containing more than 14 % vol., but not more than 23 % vol.	per l al	\$75.426
2105.00.49	– Containing more than 23 % vol.	per l al	\$75.426
21.06	Food preparations not elsewhere specified or included:		
	– Containing alcohol which, if manufactured in New Zealand, would be classified within Excise item number 99.06.10L, 99.06.20H, 99.06.30E, 99.06.40B, 99.06.51 H, or 99.06.60G:		
2106.90.92	– – Containing more than 1.15 % vol., but not more than 2.5 % vol.	per l	62.109¢
2106.90.93	– – Containing more than 2.5 % vol., but not more than 6 % vol.	per l al	\$41.4135
2106.90.94	– – Containing more than 6 % vol., but not more than 9 % vol.	per l	\$3.3129
2106.90.95	– – Containing more than 9 % vol., but not more than 14 % vol.	per l	\$4.1435
2106.90.98	– – Containing more than 14 % vol., but not more than 23 % vol.	per l al	\$75.426
2106.90.97	– – Containing more than 23 % vol.	per l al	\$75.426

Part B—continued

Tariff item number	Goods	Unit	Rates of duty
22.03	Beer made from malt which, if manufactured in New Zealand, would be classified within Excise item number 99.10.25F or 99.10.50G:		
2203.00.12	– Containing more than 1.15% vol., but not more than 2.5% vol.	per l	62.109¢
2203.00.22, 2203.00.31, or 2203.00.39	– Containing more than 2.5% vol.	per l al	\$41.4135
22.04	Wine of fresh grapes, and grape must with fermentation prevented or arrested by the addition off alcohol, including sparkling, fortified and table wine which, if manufactured in New Zealand, would be classified within Excise item number 99.20.11A or 99.20.20L:		
2204.21.13 or 2204.29.13	– Containing more than 14% vol., fortified by the addition of spirits or any substance containing spirit	per l al	\$75.426
2204.10.01, 2204.10.18, 2204.21.18, or 2204.29.18	– Other	per l	\$4.1435
22.05	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances which, if manufactured in New Zealand, would be classified within Excise item number 99.25.11C or 99.25.20B:		
2205.10.12, 2205.10.33, 2205.90.12, or 2205.90.33	– Containing more than 14% vol., fortified by the addition of spirits or any substance containing spirit	per l al	\$75.426
2205.10.19, 2205.10.38, 2205.90.19, or 2205.90.38	– Other	per l	\$4.1435

Part B—continued

Tariff item number	Goods	Unit	Rates of duty
22.06	Other fermented beverages (for example, cider, perry, mead) which, if manufactured in New Zealand, would be classified within Excise item number 99.30.21D, 99.30.26E, 99.30.32K, 99.30.47H, 99.30.59A, or 99.30.62A:		
	– Fruit and vegetable wine:		
2206.00.08	– – Containing not more than 14% vol.	per l	\$4.1435
2206.00.17	– – Containing more than 14% vol., but not more than 23% vol.	per l al	\$75.426
2206.00.28	– – Other	per l al	\$75.426
	– Other:		
2206.00.37	– – Containing more than 1.15% vol., but not more than 2.5% vol.	per l	62.109¢
2206.00.47	– – Containing more than 2.5% vol., but not more than 6% vol.	per l al	\$41.4135
2206.00.57	– – Containing more than 6% vol., but not more than 9% vol.	per l	\$3.3129
2206.00.68	– – Containing more than 9% vol., but not more than 14% vol.	per l	\$4.1435
2206.00.78	– – Containing more than 14% vol., but not more than 23% vol.	per l al	\$75.426
2206.00.89	– – Containing more than 23% vol.	per l al	\$75.426
22.07	Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol. or higher, and ethyl alcohol and other spirits, denatured of any strength which, if manufactured in New Zealand, would be classified within Excise item number 99.35.10L, 99.35.20H, 99.35.30E, 99.35.40B, 99.35.45C, 99.35.50K, or 99.75.47A:		
	– Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol. or higher:		
	– – Rectified spirits of wine:		
2207.10.19	– – – Other:		
	– – – – As may be approved by the Chief Executive for fortifying New Zealand wines and under such conditions as the Chief Executive may approve		–

Part B—continued

Tariff item number	Goods	Unit	Rates of duty
	----- Other	per l al	\$75.426
	-- Other kinds:		
2207.10.29	--- Other:		
	----- In the quantities, and for the purposes, and subject to any conditions that the Chief Executive thinks fit and approves in writing,—		
	(a) for use in museums, universities, hospitals, and other institutions approved by the Chief Executive; or		
	(b) for scientific, educational, or other commercial or industrial application, except the manufacture of potable beverages		—
	----- Other	per l al	\$75.426
	– Ethyl alcohol and other spirits, denatured, of any strength:		
	-- Other kinds:		
2207.20.49	--- Other	per l al	\$75.426
22.08	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol.; spirits, liqueurs and other spirituous beverages:		
	– Spirits and spirituous beverages which, if manufactured in New Zealand, would be classified within Excise item number 99.45.10F, 99.45.15G, 99.45.20C, 99.45.25D, 99.45.30L, 99.45.35A, 99.45.40H, 99.45.45J, 99.45.72F, 99.45.76J, 99.45.78E, 99.45.80G, 99.45.86F, or 99.45.90D:		
	– – Spirits and spirituous beverages the strength of which can be ascertained by OIML hydrometer:		
2208.20.04 or 2208.20.08	--- Brandy	per l al	\$75.426
2208.30.04 or 2208.30.08	--- Whisky	per l al	\$75.426

Part B—continued

Tariff item number	Goods	Unit	Rates of duty
2208.40.04 or 2208.40.08	--- Rum and tafia	per l al	\$75.426
2208.50.04 or 2208.50.08	--- Gin and Geneva	per l al	\$75.426
2208.60.19 or 2208.60.29	--- Vodka	per l al	\$75.426
2208.20.19 or 2208.90.48	--- Other	per l al	\$75.426
	-- Other:		
2208.90.62	--- Containing more than 1.15% vol., but not more than 2.5% vol.	per l	62.109c
2208.90.68	--- Containing more than 2.5% vol., but not more than 6% vol.	per l al	\$41.4135
2208.90.72	--- Containing more than 6% vol., but not more than 9% vol.	per l	\$3.3129
2208.90.78	--- Containing more than 9% vol., but not more than 14% vol.	per l	\$4.1435
2208.90.85	--- Containing more than 14% vol., but not more than 23% vol.	per l al	\$75.426
2208.20.29, 2208.30.19, 2208.40.19, 2208.50.19, 2208.60.99, or 2208.90.97	--- Containing more than 23% vol.	per l al	\$75.426
	--Liqueurs, cordials and bitters which, if manufactured in New Zealand, would be classified within Excise item number 99.50.10K, 99.50.14B, 99.50.35E, 99.50.40A, 99.50.50J, 99.50.60F, 99.50.65G, 99.50.76B, or 99.50.85A:		
	-- Liqueurs and cordials:		
2208.70.30	--- Containing more than 1.15% vol., but not more than 2.5% vol.	per l	62.109c

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Part B—*continued*

Tariff item number	Goods	Unit	Rates of duty
2208.70.40	--- Containing more than 2.5% vol., but not more than 6% vol.	per 1 al	\$41.4135
2208.70.50	--- Containing more than 6% vol., but not more than 9% vol.	per 1	\$3.3129
2208.70.60	--- Containing more than 9% vol., but not more than 14% vol.	per 1	\$4.1435
2208.70.71	--- Containing more than 14% vol., but not more than 23% vol.	per 1 al	\$75.426
2208.70.80	--- Containing more than 23% vol.	per 1 al	\$75.426
	-- Bitters:		
2208.90.06	--- Containing not more than 23% vol.	per 1 al	\$75.426
2208.90.08	--- Containing more than 23% vol.	per 1 al	\$75.426

Explanatory note

This Supplementary Order Paper amends the Excise and Excise-equivalent Duties Table of the Customs and Excise Act 1996 to increase the amount of excise tax on alcoholic drinks. Price is recognised internationally as one of the best ways to reduce alcohol-related harm. This SOP raises the excise tax on alcohol by 50%. This change is in line with the Law Commissions thorough report into curbing the harm caused by alcohol. The purpose of increasing the excise taxes on alcohol in New Zealand is to minimise alcohol-related harm by raising the price of alcohol which will reduce consumption and therefore harm caused. Increasing the excise tax on alcohol will serve a secondary purpose of providing funds to the government which contribute to paying for the costs of external alcohol-related harm. The reason for having an excise tax on alcohol as opposed to other products is its addictive properties and the high level of harm associated with its use and associated behaviours.
