



Tax up on drink, smokes



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SMOKERS and drinkers will be hit with a \$53 million increase in the so-called sin taxes next week.

The Federal Government's slug on beer, spirits and cigarettes will take effect on Wednesday under the half-yearly excise changes.

Sin taxes were introduced by Bob Hawke nearly 30 years ago and have been kept in place by every prime minister since. *The Advertiser* can reveal smokers will pay an extra 10c for a pack of 50 cigarettes, with the taxman collecting \$17.44 from every carton sold.

Canberra's share of a pack of 40s rises by 9c to \$13.96.

The price of a pack of 30s will increase 7c to \$10.47, while a pack of 25s will rise by 5c to \$8.72.

A smoker who buys a pack of 30 cigarettes a day will pay \$73.29 in tax each week.

Spirit drinkers will face the biggest tax slug, with the Government adding 21c a can to lift its claim on a carton of 24 cans of pre-mixed drinks to \$33.83.

The tax on a 700ml bottle of spirits jumps by 12c, taking Canberra's swig of your bottle of scotch to \$19.73.

Beer drinkers will pay 8c more tax on a carton of 24 full-strength 375ml cans and 3c extra tax on a carton of

light beer.

But there is no tax increase for a 285ml glass of beer served across the bar.

The changes will reap an extra \$35 million a year in taxes from cigarettes, another \$12 million from beer and \$6 million more from spirits.

Retailers and shopkeepers must collect the extra tax, but other factors such as competition, business costs, profit margins and the GST could mean prices paid by consumers are more or less than the excise increase and vary between brands.

Breweries, hotels and tobacco companies will decide over the weekend if they

will also pass on price rises relating to other increases to their business costs.

The excise rises are linked to inflation, which is at a 13-year low.

Health experts believe that sin taxes should be widened to include unhealthy food and drinks, which they say should rise 20 per cent to tackle the obesity crisis.

More than 70 per cent of Australians surveyed by the Obesity Policy Coalition support an increase in the price of junk food and cheaper prices for healthy food.