

**TOM PURSGLOVE MP**  
CORBY & EAST NORTHAMPTONSHIRE



HOUSE OF COMMONS

LONDON SW1A 0AA

7<sup>th</sup> May 2024

*Dear Anthony,*

**RE: SUPPORT FOR WINE PRODUCERS**

Thank you for your recent correspondence in respect of your concerns about support for wine producers. I have read your comments with interest.

I recognise the significant contribution that small businesses, such as Amps Wine Merchants in Oundle, make to our constituency and the economy as a whole.

The motivation behind the reform of the alcohol duty system is to simplify the way that we tax alcohol in the UK. The changes mean that higher-strength products incur proportionately more duty than weaker products. It is also intended to address the problem of harmful high-strength products being sold too cheaply, and the new rates for low-strength drinks below 3.5 percent alcohol by volume (ABV) will encourage manufacturers to develop new products at lower ABVs, giving consumers greater choice and greater options to drink responsibly.

I welcomed the decision to delay the uprating of alcohol duties until the new alcohol duty system was up and running, which provided relief for firms and gave them more time to prepare for the introduction of the new rates. I also welcome the Government's decision to freeze alcohol duty from the 1st August 2024 until the 1st February 2025, extending the six-month freeze announced at the 2023 Autumn Statement.

The Government has also announced the end of the Alcohol Duty Stamps scheme following a review by HM Revenue & Customs. Removing the scheme represents a simplification for the spirits industry which has faced associated cost burdens and complexity.

More widely, I know that these have been challenging times for businesses, especially for small businesses. I welcome that the Government is supporting small businesses with the cost of their Business Rates through a £4.3 billion support package. This includes freezing the Business Rates multiplier for small businesses for a fourth consecutive year, meaning an independent business not benefitting from existing reliefs – with a rateable value of £50,000 – will see savings of £1,650.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you then please do not hesitate to contact me again.

*With best wishes,*

A handwritten signature in blue ink, appearing to read 'Tom Pursglove'.

**TOM PURSGLOVE MP**  
**MEMBER OF PARLIAMENT**  
**CORBY & EAST NORTHAMPTONSHIRE**