

MARY GLINDON MP

MEMBER OF PARLIAMENT FOR NORTH TYNESIDE

"I'm so proud to represent the amazing people of North Tyneside".



Help Cut Beer Tax

Thank you for contacting me about beer duty and tax on pubs. I appreciate the importance of this issue, particularly with pubs having been hit so hard by COVID-19.

Pubs are a vital part of our high streets and social fabric in communities throughout the country. They also play an important role in our national economy. Indeed, before the coronavirus pandemic, the sector was supporting 900,000 jobs, generating £23 billion in economic value and providing £13 billion in tax revenues. I am aware though that pubs face a range of tax pressures, including beer duty, business rates and VAT. Even before the pandemic, pubs were under severe threat, with a 15% fall in their number from 2010 to 2020.

As I am sure you will know, beer duty was frozen at the Budget. I know that Long Live the Local welcomed this freeze. In response to Long Live the Local's wider proposed tax reforms for pubs, the Government has simply stated that it "keeps all taxes under review and any changes made will be announced at the next fiscal event."

Last year, the Government published a call for evidence for a review of alcohol duties. It says this review aims to make the current system simpler and more economically rational and will have to consider how to balance various factors, such as supporting public health, protecting tax revenues and providing a fair deal for all parts of industry. I can assure you that I will continue to monitor developments on this issue.

On business rates, a fundamental review of the business rates system was scheduled to conclude earlier this year but has been pushed back to the autumn. Given the number of jobs depending on our pubs and the threat those jobs face, I believe this review must not be delayed any longer than necessary and must lead to wholesale reform. An overhaul of business rates is long overdue and must be part of a real plan to help our hospitality industry thrive.

More widely, many businesses in the hospitality sector have seen over a year of closures and lost trade. I believe it is vital that they recover strongly from the pandemic. Pubs and breweries should not lose out because of the sacrifices they have made to help prevent the spread of the coronavirus.

Yours sincerely,

Mary