



HOUSE OF COMMONS

LONDON SW1A 0AA

January 2017

Dear Constituent,

Thank you for contacting me about beer duty and business rates.

I recognise the important contribution that pubs make to their local communities, and I welcome the Government's efforts to support this through the taxation system.

I am pleased to see under the 2016 Budget, tax on beer will be frozen in cash terms this year. This freeze follows an unprecedented cut in duty in each of the three preceding budgets and the removal of the beer duty escalator in 2013. This will continue the excellent work the Government has done to support local pubs and over 19,000 jobs.

The Scottish whisky industry is a national success story, with exports of over £4 billion per year making up a fifth of UK food and drink exports. Local cider breweries also play a similarly vital role supporting rural communities. I am therefore heartened to see that duty on spirits and most ciders has also be frozen.

I am pleased to inform you that the Government, following a consultation, have decided that from 2020 business rates will be indexed around CPI. This is a change from the currently used RPI measure, and will represent a tax cut for all business each year from 2020.

The Chancellor continues to keep all taxes under review and decisions on tax policy are made as part of the Budget process.

Once again, many thanks for taking the time to contact me.

Yours faithfully,

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

CHRIS HEATON-HARRIS MP
MEMBER OF PARLIAMENT FOR DAVENTRY