

ALCOHOL EXCISE DUTIES IN THE EUROPEAN UNION

Viktor Trasberg¹
University of Tartu, Estonia

Abstract

Alcohol taxation plays an important role in the alcohol policies of countries in the European Union. Alcohol excise duties are not a very significant part of government budgets; however, they form consumer behaviour, limit access to alcohol products and correct market externalities.

The paper analyses the level and structure of alcohol excise duties in European countries. In the EU, the levels of alcohol excise duties are harmonized across the member states. Nevertheless, there is significant variety in the alcohol tax rates. The paper highlights the correlations between alcohol tax rates and interprets alcohol tax rate design across EU countries.

Keywords: alcohol excise, taxation, European Union

JEL Classification Codes: H2; H310; O52

Introduction

Alcohol taxes are not the most important part of a government's budget. General interest in alcohol excise duties is clearly a minor issue; for example, compared with the fiscally highly significant income or consumption. However, the *rationale* for alcohol taxation is manifold. In general, the purpose of alcohol taxation is to diminish the negative externalities generated by abusive alcohol consumption. Its other purpose is to collect revenues for the public budget. In the European Union context, the goal of alcohol taxation is also to avoid harmful cross-border trade and consumption, and unify activities to implement EU alcohol policies.

Alcohol taxes are often a sensitive social issue for society because alcohol consumption generates various negative externalities. Excessive alcohol consumption causes health problems, traffic accidents and anti-social behaviour. It is difficult to directly measure the real monetary cost from abusive alcohol consumption, despite the fact that related problems and outcomes are rather visible. Alcohol taxes play an important role in regulating consumer behaviour and limiting excessive consumption of alcoholic beverages. Alcohol taxes limit consumer access to alcohol and direct them to other consumption alternatives.

Over the centuries, governments have used their power to tax alcohol production and consumption. In today's context, alcohol taxation plays a minor role in comparison with other consumption taxes as a revenue source. In earlier times, alcohol taxation was related exclusively to the collection of money for the state budget; in later times alcohol taxation has become considered a kind of compensatory mechanism. Revenues collected from alcohol duties are channelled towards coping with the negative outcomes of alcohol consumption.

This paper focuses on the role of alcohol excise duties in European Union countries and generalizes the logic of designing the structure of alcohol excise duties for these countries. We have information about the requirements for harmonizing excise duties and the unified rates for alcohol taxes. How do different EU countries actually tax alcohol products and what are the differences among the member states? The purpose of the paper is to provide a general overview of alcohol excise duties in the EU and emphasize the correlations between the alcohol excise rates.

There are many different taxes imposed on alcohol. In this article only excise duties on alcohol are considered, as VAT-type taxes remain out of the scope of the study. In essence, excise duties are *per unit* taxes – the basis for taxation is calculated as the content of alcohol in a specific measurable unit (e.g. alcohol content *per hectolitre*). In this case, the tax is proportional to the particular amount of a product produced (sold), regardless of its price.

The paper is structured in a following way. In the first part, a theoretical overview of the rationale behind alcohol excises is presented, especially emphasizing alcohol taxation and its impact on different economic subjects. In order to understand the state of alcohol taxation in Europe, it is also critical to introduce the general EU regulatory framework on excise duties. All countries in the EU have to cope with these regulatory requirements.

In the second part of the paper, trends in alcohol excise tax levels across EU countries and the structure of those revenues are analysed. Within this framework, the paper brings out the role of excise duties in government budgets, characterizes various alcohol excise duties and specific patterns in the taxation of alcohol.

The third part draws correlations between alcohol taxation and the socio-economic characteristics of different countries. The purpose of this analysis is to demonstrate the “patterns” of alcohol taxation.

There are different collections of statistical data on various aspects of alcohol consumption and taxation. In this paper, different sources of data are combined and processed; mostly from *Eurostat* and the EU Commission Tax Database and publications.

Theoretical framework for alcohol taxation

There is a strong theoretical and moral basis for alcohol taxation. To be precise, in the context of this paper, only excise duty type taxes are considered alcohol taxes, and not the other taxes imposed on alcohol as a consumer good.

First, alcohol taxation is based on regulatory needs. Alcohol consumption is considered a “sin” activity, which causes negative externalities for society. It causes various health problems, traffic accidents, anti-social behaviour and many other negative social issues for society. Therefore, tax on alcohol is considered an instrument that can correct those market inefficiencies. Such a tax is

¹ Viktor Trasberg, *Ph.D* Associate Professor, Faculty of Economics and Business Administration. University of Tartu. Narva 4 (Oeconomicum), Tartu. viktor.trasberg@ut.ee

also known as a Pigovian tax. Therefore, alcohol taxation “improves resource allocation by internalizing the external cost” related to alcohol consumption and “discourage the ... productions considered harmful” (Gnossen 2011, p. 279).

Excise taxes are considered “sin taxes”, and therefore, are easily accepted by the public at large. As a market correcting vehicle, alcohol taxes may also be considered a socially “fair” tax. Society may easily allow “selective and intentionally discriminative” characteristics on those taxes (Gnossen 2011, p. 278). To reduce abusive consumption is the “main rationale for taxing alcohol beverages more heavily than other products” (Tax and Policy 2007, p. 5).

Therefore, alcohol excises are “intentionally discriminative” to calibrate the taxation burden on alcohol users (Gnossen 2011). The correction process is to be at least twofold – first, to limit alcohol consumption, and second, to collect money in order to cope with negative externalities (Saar 2011).

The second reason for taxing alcohol is purely fiscal. Alcohol as a consumer good is often rather price inelastic, which makes it a proper basis for taxation. As alcohol production and trade is strictly regulated and heavily controlled by governments, burdening alcohol with taxes is also relatively easy. There are a limited number of legal alcoholic beverage producers and their monitoring is not overly difficult.

However, in the European context, alcohol taxation is not fiscally very capable. On average it covers 0.5–3% of general government revenues (see above).

However, despite the practical rationale for imposing taxes on alcohol, there are also clear limitations for burdening alcohol with taxes. Overtaxing of alcohol consumption may cause very severe negative outcomes for society. Those negative aspects are grounded in economic theory. Alcohol taxes do not consider horizontal equity concerns and are not related to individuals’ ability to pay (Taxation and Policy, 2007, p. 5). Alcohol taxes are also often rather regressive, burdening a larger percentage of the income of low-income persons than upper level income earners (ibid, p. 5).

Other negative aspects of alcohol taxes are purely socio-economic. These negative consequences are commonly known as illicit trade and increases in the consumption of alcohol-consisting surrogates.

In conclusion, a good alcohol tax can correct and is fiscally capable and provides a good balance between raising revenue and influencing social behaviour.

European Union regulatory framework

The EU as a whole is the most intensive *per capita* alcohol consuming region in the world. All negative aspects related to excessive alcohol consumption are quite visible there. Therefore, it is rather natural to expect that the EU alcohol policies and taxation focus on regulating consumption and limiting the negative socio-economic consequences. These focus on reducing harmful drinking and its consequences, lowering underage alcohol consumption and protecting young people and raising awareness of the impact of hazardous alcohol consumption (European Parliamentary Research Service Homepage).

Taxation performs a traditional role in limiting access and the affordability of alcoholic consumer products. The taxation of alcohol is an important aspect of the EU alcohol policy, but not the most important. According to the EU Council study, “only a minority of Member States consider health issues a significant determinant when fixing duty rates” and “the vast majority of Member States do not consider that health and social aspects should be a major determinant in setting rates” (Heather and Liolios).

However, there is a rather specific purpose in the taxation of alcohol in the EU. Most alcohol products are subject to common rules and regulations. In particular, the EU harmonizes the principles of alcohol taxation and excise duty rates over all member countries very strictly. There are actually two EU Directives from 1992, which continue to regulate alcohol excise duties – Council Directive 92/83/EEC on the harmonization of the structures of excise duties on alcohol beverages and Council Directive 92/84/EEC on the approximation of the rates of excise duty on alcohol and alcoholic beverages (Council Directives accordingly). Later on have been taken attempts to modify those Directives; however, the efforts have not been succeeded (Jones and Liolios).

The purpose of such requirements is to avoid harmful tax competition among the member states and distortions of cross border trade activities. Therefore, the European Union alcohol taxation regulation provides a unique example of a unified cross-border taxation system in the region with 28 different countries and a population of over half a billion. However, involving so many different countries also generates various problems and creates a need to consider the specific situation of many countries. Therefore, a broad range of the issues in alcohol production and consumption in Europe must be considered.

First, the production of alcoholic beverages is an important industry. It provides jobs and income for millions of people and generates revenue for farmers, producers and retailers.

Second, the availability and affordability of alcohol products is an important component of many other economic activities. It is related to tourism, retailing and entertainment.

The third aspect to emphasize is that alcohol consumption is also a part of society’s everyday culture. Cultural traditions, lifestyles and festivities that are several thousands of years old are often related to alcohol consumption. Clearly, alcohol taxation should also be sensitive to those issues.

The EU Council Directive forces member countries to establish minimal excise duties (EU Council) over all standardized alcoholic beverages. Mostly, the alcohol excise duty rates depend on the alcoholic strength by volume of a particular type of alcoholic beverage.

Specific exceptions exist and reduced excise duties are given to certain types of alcohol. The EU excise duty regulations try to also take into consideration the cultural and economic particularities of the member states, and therefore, provide non-standard solutions for alcohol excise. For example, zero tax rates are allowed on wine in many countries.

Also, as we shall indicate below, Member States have rather different sets of alcohol taxes, although grounded on the standardized set from the EU alcohol taxation requirements.

Alcohol consumption in the EU

As stated above, Europeans consume rather high quantities of alcoholic beverages in comparison to the rest of the world. There are many factors that determine alcohol consumption patterns and levels (Heath, 2000; Barton 2007). Among them should be mentioned society's alcohol drinking customs, traditions, cultural heritage, education levels, religion, media and many other factors (Houghton & Roche 2001). Furthermore, there are many stereotypes about drinking patterns and habits in different nations; for example, Southern Europeans drink a lot of wine; Central Europeans beer and Northern Europeans strong alcohol. However, a detailed analysis of the factors that might define the levels of alcohol consumption *per capita* remains outside the scope of this study.

Another set of factors determining alcohol consumption is related to regulatory frameworks and the accessibility of alcoholic beverages. High alcohol prices, limited opening hours for alcohol shops and efficient drinking age controls all help reduce alcohol consumption.

In order to start analysing alcohol taxation in Europe, a general picture of alcohol consumption by EU member state is presented (Table 1). The table ranks countries by alcohol consumption measured as pure alcohol in litres *per capita*.

Table 1. Recorded alcohol consumption (15+ years), litres of pure alcohol *per capita*, 2010

6.1-8.9	9.0-10.2	10.3-10.7	10.8-11.6	11.7-12.0
Italy	Romania	UK	Hungary	France
Iceland	Netherlands	Slovenia	Portugal	Ireland
Sweden	Finland	Denmark	Slovakia	Austria
Malta	Latvia	Belgium	Germany	Czech R.
Greece	Spain	Croatia	Estonia	Lithuania
Cyprus	Bulgaria	Poland	Luxembourg	

Source: WHO Global Information System on Alcohol and Health; authors' calculation and grouping

There are manifold differences in alcohol consumption levels *per capita* over the region. The highest consumption amounts are measured in Lithuania, Czech Republic and Austria. By contrast, the lowest quantity of alcohol is consumed in Italy, Iceland and Sweden. The difference in alcohol consumption between those groups is as high as two times.

At the same time, the table does not provide a clear-cut and easy to interpret picture of alcohol consumption patterns across EU countries. It is difficult to intuitively identify characteristics that might explain the difference in the level of alcohol consumption among these groups (e.g. new or old EU country; cultural background of alcohol consumption (wine or beer drinking countries) or geographical location (Northern or Southern Europe)). As the correlation analyses below demonstrate, alcohol consumption levels do not actually correlate with any set of studied socio-economic indicators.

The system for alcohol excise duties in the EU

There are surprisingly many excise type taxes related to alcohol in the European countries. In principle, it does not make any difference if there exists one law that includes all tax excise rates or separate laws for every type of alcohol. However, the variety of separate taxes provides an overview of the development of alcohol excise duties and emphasizes the particularities of alcoholic tax objects in each country. For example, some member states have raised separate taxes on sparkling wine or *alcopops*.

In general, there are two types of alcoholic beverage – beer and ethyl alcohol –which must be burdened with excise duties in every single member country. Intermediate products are usually covered by the excise duty that covers ethyl alcohol taxation. In addition, countries have the right to set a zero tax rate on wine products. Therefore, in many countries excise tax on alcohol does not exist. Those are mostly wine producing countries from Southern and Central Europe.

Table 2 demonstrates that EU countries use various sets of excise taxes. Several countries have introduced even up to 6 or 7 different excise duties; that is, there exist separate tax regulations for every taxable alcoholic product. Countries tax sparkling wine or different beverages with alcohol content separately.

Another set of countries are satisfied with just one single tax law, which includes a list and the rates imposed for different alcoholic beverages.

Furthermore, alcohol excise duties reflect the particularities of the legal system, the historical development of alcohol taxation and specific characteristics of tax administration in certain countries.

Table 2. Alcohol excise duties and the number of taxes in use

	No of taxes	Alcohol excise duties
Czech R.	7	Alcohol (2); beer (2); wine (2); fees on sale of alcohol drinks
Belgium	6	Brandy; consumption of alcohol and brandy; fermented sparkling drinks; fermented fruit juices; beer; intermediary products
Luxembourg	6	Consumption of alcoholic beverages and spirits (imported); imported alcoholic beverages; imports of beers; fermented fruit beverages; fermented sparkling beverages; alcopops
Portugal	6	Imported ethyl alcohol; imported alcoholic beverages; imported beer; ethyl alcohol; alcoholic beverages; beer
Austria	5	Spirit; Special duty on alcoholic drinks; beer; sparkling wine; wine
Bulgaria	4	Alcohol (2); beer (2)
Lithuania	4	Alcoholic beverages; wine and sparkling wine; beer; other alcoholic beverages
Denmark	3	Beer; wine; spirits; alcoholic soft drinks
Germany	3	Spirits; sparkling wine; beer duty
Spain	3	Alcohol; beer; intermediate products
Cyprus	3	Sparkling wines; spirits; beer
Poland	3	Spirits; beer; wine and other fermented beverages
Slovakia	3	Alcohol; beer; wine
Sweden	3	Imported alcoholic beverages; alcoholic beverages; profits of fiscal monopoly
UK	3	Beer; wines and cider; spirits
Ireland	2	Imported alcohol; domestic alcohol
Greece	2	Beer; alcoholic drinks
Croatia	2	Alcohol; beer
Italy	2	Beer; Spirits
Latvia	2	Alcohol; beer
Hungary	2	Alcohol production duty (2)
Malta	2	Beer; Spirits
Netherlands	2	Alcohol (2)
Estonia	1	Alcohol
France	1	Alcohol
Romania	1	Ethylic alcohol, intermediate products, fruit wine and beer
Slovenia	1	Alcohol and alcoholic drinks
Finland	1	Alcoholic beverages
Iceland	1	Excise on alcohol
Norway	1	Tax on alcohol

Source: author's calculations and European Commission's DG Taxation and Customs Union; NTLs (national tax lists) http://ec.europa.eu/taxation_customs/taxation/gen_info/economic_analysis/tax_structures/article_5985_en.htm

Budget revenues from alcohol excise duties

In Table 3, countries are ranked on the basis of revenue in GDP from alcohol excise duties.

Table 3. Excise taxes in GDP, 2012

0.05%-0.14%	0.15%-0.19%	0.20%-0.27%	0.28%-0.64%	0.65%-1.17%
Italy	Cyprus	Romania	Hungary	Latvia
Luxembourg	France	Denmark	Bulgaria	Poland
Austria	Belgium	Greece	Sweden	UK
Portugal	Malta	Croatia	Slovakia	Finland
Spain	Netherlands	Slovenia	Ireland	Lithuania
Germany		Czech R	Iceland	Estonia

Source: author's calculations and European Commission's DG Taxation and Customs Union; NTLs (national tax lists) and Eurostat Homepage

Comparisons of receipts from alcohol excise duties in GDP across EU countries fluctuate across a rather large range. Higher revenue groups receive more than 20 times more in this regard compared to lower revenue groups.

In general, excise duties are a minor part of government revenues; for example, in order of magnitude they are less than income taxes. As a percentage of GDP, revenues from excise duties are range from 0.05% (Italy, Luxembourg, Austria) to 1.15% in Estonia and Finland. The group collecting highest revenues from alcohol is geographically rather concentrated – most are from the Nordic-Baltic region. In some countries (*e.g.* Estonia or Lithuania), alcohol excises are a rather influential source of public finance.

A similar situation is visible if we look at alcohol taxes as a percentage of total taxes (Table 4.)

Table 4. Excise taxes in total taxes, 2012

0.15%-0.35%	0.36%-0.59%	0.60%-0.80%	0.81%-1.76%	1.77%-3.62%
Italy Luxembourg Austria Germany Portugal Spain	Belgium France Denmark Cyprus Netherlands Malta	Greece Romania Slovenia Croatia Sweden	Hungary Czech R. Bulgaria Slovakia Finland Ireland	UK Iceland Poland Latvia Lithuania Estonia

Source: author's calculations and European Commission's DG Taxation and Customs Union; NTLs (national tax lists) and Eurostat Homepage

The extent to which public finances rely on alcohol excise duties tends to be lowest in Mediterranean countries – less than one third of a percentage point. By contrast, the Estonian government budget receives almost 4% of its revenues from alcohol excise duties. Alcohol taxation revenues are also high in the other Baltic states and Poland and the UK. Perhaps here we can identify a pattern of alcohol taxation – wine drinking and producing countries receive less revenues from alcohol than countries where the consumption of strong liquors is more common. Usually, wine producing countries keep their excise duties on wine low or even at zero. At the same time, strong alcohol is heavily taxed in all EU countries.

Once again, alcohol excise duties are not an overly significant source of revenues, despite some exceptions. At the same time, alcohol taxation is a rather visible issue and often generates heated debate.

Structure of alcohol revenues

In general, excise duties are a minor part of government revenues; for example, in order of magnitude they are smaller than income taxes. However, receipts from alcohol excise duties compared with GDP across EU countries fluctuate within a rather sizeable range (see Tables 3 and 4).

The following table (Table 5) provides an overview of the structure of excise revenue across Europe. It is evident that one third of the EU countries do not receive revenues from wine products at all. In two thirds of the countries, excise duties from wine are less than 20%. Zero tax on wine products is mainly established in Southern and Central European countries. Logically, the main revenue from excise duties in those countries comes from beer or strong alcohol taxes. At the same time, Nordic countries and those of the British Isles receive more than one third of their excises from wine tax.

Table 5. Structure of revenue from alcohol taxes by country, % of total*

Beer				
11%-21%	21%-28%	28%-38%	39%-46%	48%-78%
France Luxembourg Latvia Lithuania Malta Germany	Estonia Slovakia Sweden Greece Spain Belgium	Denmark Bulgaria Poland UK Ireland Netherlands	Cyprus Czech R. Portugal Finland Hungary	Italy Austria Romania Slovenia Croatia
Wine				
0%		1%-4%	4%-24%	27-41%
Croatia Italy Cyprus Spain Malta	Austria Portugal Bulgaria Greece Luxembourg	Romania Slovakia Czech R. Hungary Poland Slovenia	France Lithuania Estonia Latvia Germany Finland	Ireland Netherland Belgium UK Sweden Denmark
Strong alcohol (ethyl)				
20%-31%	32%-40%	51%-63% %	65%-70%	71%-85%
Slovenia Croatia UK Denmark Ireland	Netherlands Finland Sweden Romania Belgium Austria	Hungary Italy Portugal Czech R. Cyprus Poland	Germany Lithuania Bulgaria Estonia Latvia	Spain Greece Slovakia Malta France Luxembourg

Source: EU Commission, Directorate-General Taxation and Custom Union, excise Duty Tables (Tax receipts); author's calculations

*countries are ranked

Beer and ethyl alcohol revenues are high in those countries where wine tax is low or zero. Beer tax revenue is high in wine-making countries like Italy, Slovenia and Croatia. Accordingly, other wine producing countries like France, Greece or Spain receive the highest amount of their alcohol excise from strong alcohol taxes. Beer tax revenues are low in the Baltic countries and Germany; ethyl alcohol excise tax revenues are low in the UK, Denmark and Ireland.

Excise duty rates

As shown above, the EU has established minimum compulsory rates for different types of alcohol. Table 6 ranks and distributes European countries into groups according to the level of alcohol excise duties.

Surprisingly, there are actually enormous differences across Europe. Beer excise duties vary from 1.9 in Bulgaria to 32 euros *per hl/degree* of alcohol in the finished product in Finland.

Table 6. Alcohol excise duty rates, EUR, 2013

Beer, per hl/degree of alcohol of finished product Minimum excise duty adopted by the Council 1.87 EUR				
1.9-3.5	3.6-5.4	5.5-7.2	7.3-23.5	23.6-52.7
Bulgaria Germany Luxembourg Romania Lithuania Czech Republic	Slovakia Malta Poland Belgium Austria Croatia	Hungary Latvia Cyprus Estonia Greece Italy	France Denmark Slovenia Netherlands Sweden Ireland	Portugal UK Spain Finland (32.1) Norway Iceland
Wine, Excise duty per hectolitre Minimum excise duty adopted by the Council 0 EUR				
0		3.7-84.6	84.7-334.0	334.1-703
Bulgaria Germany Luxembourg Romania Czech R. Slovakia Malta Austria	Greece Italy Slovenia Portugal Spain Croatia Hungary Cyprus	France Poland Belgium Latvia Lithuania	Estonia Netherlands Denmark Sweden	UK Ireland Finland (424.8) Norway
Ethyl alcohol, excise duty per hectolitre Minimum excise duty adopted by the Council 550 EUR or 1000 EUR per hl of pure alcohol				
562-1,064	1,065-1,291	1,292-1,642	1,643-3,534	3,535-8,999
Bulgaria Croatia Spain Italy Cyprus Luxembourg	Romania Slovakia Czech R. Hungary Austria Portugal	Lithuania Germany Slovenia Latvia Poland Malta	Estonia Netherlands France Denmark Belgium Greece	UK Ireland Finland Sweden (5,866.0) Iceland Norway

Source : EU Commission, Directorate – General Taxation and Custom Union, Excise Duty Tables, July 2014

Note: as Iceland and Norway are not EU countries, they are indicated separately under the highest tax rate for EU countries.

The situation is interesting if we look at wine taxation in these countries. About half of the EU countries do not tax wine with excise duties at all. In this context, wine production is clearly taxed more lightly than other alcohol products. At the same time, wine excise duties are rather high in the British Isles and in the Nordic countries.

Similar to beer, excise duties on ethyl alcohol differ across Europe by a factor of more than 10. The UK, Ireland and Nordic countries use the top tax rates; Southern European countries have the lowest taxes on strong alcohol.

In general, EU authorities establish the minimum levels for excise tax duties. The situation, where one type of alcohol product (i.e. wine) is taxed rather differently to other alcohol products is somehow controversial according to universal logic, where comparable products are taxed similarly. If countries allow excise duties on wine to stay as low as zero, the burden on alcohol excise duties relies solely on other types of producers/consumers. Therefore, the question of whether such a situation is acceptable for the other types of alcohol producers arises.

In the EU countries, the number of registered alcohol producers is rather limited – particularly concerning beer and strong alcohol producers. Usually, alcohol producers have well-organised associations that represent the interests of certain types of alcohol producers. Hypothetically, those interest groups generate regulatory competition, which brings excise tax rates closer to each other.

Correlations between alcohol excise duty rates

The EU as an economic union harmonizes and regulates alcohol taxation in all member countries. Despite these harmonized alcohol excise duty levels, the member countries implement their own individual taxation policies.

Table 7 presents some correlations between alcohol taxation and specific indicators.

As the table shows, there is no significant correlation between the amount of alcohol consumption *per capita*, a country's income level *per capita* and total taxation in GDP. Actually, the amount of alcohol consumption does not correlate with any indicator provided in Table 7. That is, the richer countries or those with a higher tax level do not consume more alcohol *per capita* in comparison with lower income or lower tax countries. Alcohol consumption depends on many factors, as mentioned above, but in general, the influence of alcohol excise duties on alcohol consumption is insignificant.

Table 7. Correlations between alcohol excise duties and economic indicators, 2012

	GDP <i>per capita</i> , euros	Total taxes, in GDP, %	Alcohol consumption per capita, litres ethyl	Alcohol excise duties compared with GDP, %	Alcohol excise duties in total tax revenues, %
GDP <i>per capita</i> , euros	1				
Total taxes in GDP, %	0,616**	1			
Alcohol consumption <i>per capita</i> , litres ethyl	-0,018	-0,150	1		
Alcohol excise duties compared with GDP, %	-0,252	-0,375*	0,137	1	
Alcohol excise duties in total tax revenues, %	-0,338	-0,527**	0,200	0,975**	1
Ethyl alcohol excises in total alcohol excise revenues	0,677	0,091	0,729	0,959	0,577
Wine excises duties in total alcohol excise revenues	0,439*	0,433*	-0,057	0,217	0,107
Beer excise duties in total alcohol excise revenues	-0,279	0,045	-0,081	-0,195	-0,229

** – Correlation is significant at the 0.01 level (2-tailed)

* – Correlation is significant at the 0.05 level (2-tailed).

Source: EU Commission, Directorate-General Taxation and Custom Union, excise Duty Tables and Eurostat; authors calculations

See descriptive statistics in Appendix 1

Alcohol excise duties compared with GDP correlate negatively with total taxation levels. That is, countries with a high total tax ratio are burdening their societies relatively less with alcohol taxes. A higher tax ratio generally exists in those countries with higher income levels. However, a statistically insignificant negative correlation between *per capita* GDP levels and alcohol taxes compared with GDP levels is also visible.

The ratio of alcohol excise duties to total taxes correlates strongly and negatively with a country's total taxation. The lower the total tax ratio in a country, the more it collects consumption taxes as well as alcohol excise duties. At the same time, the ratio of alcohol excise duty to total taxes does not correlate with any type of alcohol revenues in total alcohol tax revenues.

If we look at how the alcohol tax structure relates to other socio-economic indicators, it is interesting that a large revenue share from wine taxes correlates with the country's GDP level and total tax burden. To put this simply, countries with higher GDP levels also have higher excise duties on wine.

At the same time, the share of taxes on beer and strong alcohol does not correlate with any indicator in the table. Why a similar relationship is also not statistically significant in the case of beer and strong alcohol is difficult to interpret.

As stated above, about half of the EU countries do not tax wine at all. Those countries are all Southern or Central European countries (Table 5). Countries with large wine industries can provide their domestic winemakers a more favourable tax regime in comparison with other alcohol producers. At the same time, countries in the Nordic-Baltic region and the British Isles have established significantly higher tax rates on wine products.

But how does wine tax relate to taxes on other types of alcohol? Table 8 presents the correlations between excise levels for different alcohol types.

Table 8. Correlations between alcohol excise duty rates, 2012

	Wine excise duties in total alcohol excise revenues, %	Beer excise duty, EUR	Wine excise duty, EUR
Wine excise duties in total alcohol excise revenues, %	1		
Beer excise duty, EUR	0,478*	1	
Wine excise duty, EUR	0,772**	0,685**	1
Ethyl alcohol excise duty, EUR	0,741**	0,786**	0,876**

* Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

Source: EU Commission, Directorate-General Taxation and Custom Union, excise Duty Tables and Eurostat; author's calculations

As the table depicts, there is a very strong and positive correlation between the level of various alcohol excise duties and different types of alcohol. That is, if a country taxes wine with a low or zero rate, it also taxes other alcohol types at low rates. Similarly, if in a country has relatively high tax rates on strong alcohol and beer, it also has high excise duties on wine.

How should such an outcome be interpreted? One would expect just the opposite situation – countries with a zero or low tax rate on wine may increase excise duties on other types of alcohol products to compensate for the absence of public revenues from wine taxes. If countries prefer for certain reasons to keep tax rates low on wine, why not by the same logic tax beer and ethyl alcohol relatively higher?

The correlation between the relative levels of alcohol excise duties on wine and other types of alcohol does not prove that low excise duties on wine also drives down tax rates on other types of alcohol. To demonstrate such a relationship requires a more specific and detailed study of alcohol policies and political decision-making in general, which goes beyond the focus of the current study.

However, a hypothetical explanation for such an outcome might be as follows: the closeness of the relative alcohol excise duties is a product of fierce regulatory competition between producers and other interested groups (e.g. tourism, retailers). By regulatory competition, we mean that interest groups influence political and administrative decision-makers, which leads them to adopt certain regulations and tax laws concerning alcohol products.

It is politically and economically difficult to tax various types of alcohol producers very differently. Different alcohol producers are usually well-organized and able to forcefully present their interests to regulators. Eventually, such regulatory competition equalizes the relative excise duties on different types of alcohol products. Once again, the explanation and generalization of details of political practices in alcohol taxation requires further specific studies.

Summary

Alcohol taxation is an economically important and socially sensitive issue in most European Union countries. This paper studies the share of alcohol duties in total taxes compared with GDP levels. In general, alcohol excise duties are a rather minor part of public sector revenues, despite there being some exceptional countries (e.g. Estonia) with a high proportion of alcohol taxation revenues in their budgets. The correlation analysis demonstrates that the relative tax burden on alcohol products does not correlate with the country's GDP level per capita; in addition, there is no correlation between tax burden and alcohol consumption levels *per capita* in the EU member countries.

Alcohol excise duties are harmonized across the EU countries, the main principles of which are fixed by special EU Commission directives. The Directives goals are to prevent harmful cross border tax competition within the EU and support effective alcohol policies. Despite harmonized alcohol excise tax rates in the EU, the range of actual alcohol excise duties vary significantly across the countries.

However, there is a significant feature of alcohol taxation in Europe – the EU Directives allow for the exceptional treatment of wine, for which the excise rate may be established as low as zero. Such a situation provides a substantial “degree of freedom” in designing the country's alcohol tax system. One may expect that “zero wine tax rate countries” increase their alcohol excise rates on other types of alcohol to compensate for the lack of public revenues from wine taxation. However, the correlation analyses demonstrate that alcohol tax rates are rather correlated – low wine tax clearly correlates positively with low tax rates on other alcohol products as well (and *vice versa*).

A hypothetical interpretation of the results of the correlation analyses might be that regulatory competition exists among different types of alcohol producers in the EU countries. Eventually, such regulatory competition results in equalizing the relative alcohol excise rates on different alcohol products. However, the (economic and political) process of alcohol excise rate equalization requires further detailed study.

Appendix 1. Data used in correlations, descriptive statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness
Alcohol consumption per capita, pure alcohol equivalent, litres	29	6,1	12,9	10,09	1,74	-,74
Alcohol excise duties collected in relation to GDP, %	29	0,07	1,17	0,34	0,264	1,38
Alcohol excise duties in total taxes, %	29	0,15	3,62	1,00	,85	1,41
Wine excise duties in total tax revenues, %	28	0,0	41,1	9,9	13,3	1,22
Ethyl alcohol excise duties in total tax revenues, %	28	20,6	85,2	53,3	19,8	-0,10
Beer excise duties in total tax revenues, %	28	11,2	77,9	35,1	17,0	1,00
Wine excise duty rate per hectolitre, EUR	28	0	425	68,34	121,3	1,94
Beer <i>per</i> hl/degree of alcohol in finished product	29	1,92	52,70	11,1900	11,7	1,96
Ethyl alcohol excise duty per hectolitre	29	562	6652	1944,59	1538,54	1,95

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ALKOHOLI MAKSUSTAMINE EUROOPA LIIDUS¹

Viktor Trasberg²
University of Tartu, Estonia

Alkoholsete jookide maksustamine ei ole valitsussektori eelarve kõige olulisem komponent. Samas on alkoholi maksustamine sageli väga tundlik probleem paljudele ühiskonnarühmadele – nii tarbijatele kui tootjatele. Alkoholimaksud mängivad olulist rolli tarbijate käitumise kujundamisel ja ülemäärase alkoholitarbimise piiramisel.

Aktiis on reeglina spetsiifiline maks, mis on suunatud konkreetsete, suhteliselt väikesearvulise hulga kaupade koormamiseks. Alkoholi eripärase maksustamise põhjendusi on erinevad. Üldine alkoholi maksustamise eesmärk on vähendada negatiivseid välismõjusid; teiseks peamiseks eesmärgiks on koguda tulu riigieelarvesse. Euroopa Liidu kontekstis on alkoholi maksustamise eesmärgiks ka vältida negatiivseid protsesse piiriüleles kaubanduses ja ühtlustada ELi alkoholipoliitika tegevusi.

Sajandite jooksul on riikide valitsused kasutanud võimust tulenevat jõudu maksustada alkoholi tootmist ja tarbimist. Tänapäevases kontekstis on alkoholi maksustamise vähemtähtis tuluaallikas võrreldes teiste tarbimismaksudega või tulumaksudega. Varasematel aegadel oli alkoholi maksustamise seotud üksnes raha kogumisega riigieelarvesse; hilisem periood on alkoholi maksustamise eesmärgiks on ka kompensatsioonimehhanismi loomine negatiivsete välismõjude korvamiseks.

Antud artikkel keskendub alkoholiga seotud aktsiisimaksude rollile Euroopa Liidu riikides. Üldteada on aktsiisimaksude harmoneerimise nõuded ja ühtsete miinimummäärade kehtestamine. Artiklis analüüsitakse EL aktsiisimaksude taset ja struktuuri ning nende seoseid ühiskondade sotsiaalmajandusliku arenguga. Käsitletakse ainult alkoholi aktsiisimakse; VAT tüüpi alkoholiga seotud maksud on analüüsist välja jäetud.

Artikli esimeses osas antakse teoreetiline ülevaade alkoholiaktsiisi eesmärkidest; teises osas analüüsitakse alkoholi aktsiisimaksude trende ja taset EL riikides; kolmas osa toob välja korrelatiivsed seosed alkoholi maksustamise ja riikide sotsiaal-majanduslike näitajate vahel. Analüüsi eesmärgiks on tuua välja üldised "mustrid" alkoholi maksustamine EL riikide lõikes.

Alkoholi maksustamise teoreetiline raamistik

Alkoholi maksustamise aluseks on olemas tugev teoreetiline ja moraalne alus. Esiteks alkoholi maksustamise põhjenduseks regulatiivseid vajadused. Alkoholi tarbimine põhjustab negatiivseid välismõjusid ühiskonnale – toob kaasa erinevad terviseprobleemid, liiklusõnnetused, antisotsiaalse käitumise ja paljud teised negatiivsed sotsiaalsed ning majanduslikud mõjud kogu ühiskonnale. Alkoholi maksustamist peetakse vahendiks, millega vähendada turu ebaefektiivsust. Selline maks on tuntud ka Pigou maksuna.

¹ Full text article „Alcohol taxation in the European Union“ can be found on the CD attached

² Viktor Trasberg, *Ph.D.*, Associate Professor Faculty of Economics and Business Administration, University of Tartu, Narva 4 (Oeconomicum), Tartu, viktor.trasberg@ut.ee

Aktiisid loetakse moraalsetest alustest lähtudes "patumaksuks" ja on seetõttu kergesti aktsepteeritav laiemal üldsuse poolt. Sellest lähtudes peetakse alkoholi makse ka sotsiaalselt õiglaseks maksuks. Tegemist on maksudega, mis on „selektiivsed ja tahtlikult diskrimineerivate“ omadustega (Gnossen, 2011. p.278).

Teine põhjus maksustamise alkohol on puhtalt fiskaalne. Alkoholi tarbimine on sageli väikese hinnaelastsusega ning seega Ramsey loogikast lähtudes sobiv baas maksustamiseks. Alkoholi tootmine ja kauplemine on rangelt reguleeritud ning seega on alkoholi koormamine maksudega on suhteliselt lihtne.

Vaatamata praktilisele vajadusele alkoholimaksude kehtestamiseks, on teiselt poolt olemas ka selged sotsiaalmajanduslikud piirangud alkoholi maksudega koormamisel. Alkoholimaksud ei jälgi sageli horisontaalse võrdsuse põhimõtteid ega ole seotud indiviidide maksevõimega. Alkoholimaksud on sageli regressiivse iseloomuga, koormates madalatelulisi rohkem kui suurema sissetulekuga indiviide.

Mitmed negatiivseid aspekteid alkoholi maksustamisega on seotud sotsiaalmajanduslike asjaoludega. Kõrged alkoholimaksud toovad kaasa suureneva salakaubanduse, illegaalse alkoholitarbimise suurenemise ja maksupettuste.

Kokkuvõtvalt võib öelda, efektiivne alkoholi maksustamine peaks sätestama tasakaalu avaliku sektori tuluvoo ja alkoholi tarbimise aktsepteeritava sotsiaalse käitumismustri vahel.

Euroopa Liidu reguleeriv raamistik

Euroopa Liidus tervikuna on alkoholi tarbimine suhteliselt kõrge intensiivsusega võrreldes muu maailmaga. Kõik negatiivsed aspektid, mis on seotud liigse alkoholi tarbimisega, on siin selgelt nähtavad. Seega on üsna loomulik eeldada, et EL-i alkoholi- ja maksupoliitika keskendub alkoholi tarbimise reguleerimisele ja negatiivsete välismõjude leevendamisele. EL-i alkoholipoliitika keskendub siiski eelkõige tarbijate harimise, alkoholi kuritarvitamise, kättesaadavuse ja muude sellega seotud probleemide lahendamisele. Alkoholi maksustamise rolli EL-i poliitikates ei nähta kindlasti peamise tegurina, kuid siiski olulise aspektina.

Siiski on olemas ka üsna spetsiifiline eesmärk alkoholi maksustamisel EL-is. Nimelt, EL ühtlustab väga rangelt alkoholi maksustamise põhimõtteid ja aktiisimaksude määrad kõikide liikmesriikide lõikes. Euroopa Liidu direktiivid sunnivad liikmesriike kehtestama minimaalsed aktiisimäärad kõikide standardiseeritud alkohoolsed jookide rühmade lõikes.

Nimetatud nõuete eesmärk on vältida kahjulikku maksukonkurentsi liikmesriikide vahel, samuti tagada maksutulu Euroopa institutsioonide eelarvetesse. Seetõttu on Euroopa Liidu alkoholi maksustamise regulatiivne raamistik ainulaadne näide ühtsest piiriülesest maksustamise süsteemist 28 erineva riigi lõikes. Samas tekitab nii suur riikide hulk mitmesuguseid probleeme ja erivajadusi mitmesuguste erisuste kehtestamiseks.

Esiteks, alkoholsete jookide tootmine on oluline tööstusharu, mis annab tööd ja sissetulekut miljonitele inimestele ning toob tulu põllumajandussektorile, tootjatele ja jaemüüjatele.

Teiseks, alkoholitoodete kättesaadavus ja taskukohasus riikides on seotud paljude teiste majandusharude toimimisega. See on seotud näiteks turismisektoriga, jaemüügi ja meelelahutustööstusega.

Kolmas aspekt on see, et alkoholi tarbimine on osa Euroopa ühiskondade kultuuritavadest.

Seega, alkoholi maksustamine Euroopa Liidus püüab olla tundlik kõikide nende nimetatud aspektide suhtes.

Alkoholi aktsiisimaksud süsteem ja maksulaekumised EL-is

Euroopa riikides on kehtestatud üllatavalt palju erinevaid aktsiisimakse alkoholile. Need maksud katavad kõiki 4 peamist alkoholitüüpi – ölu, vein, kange alkohol ja vahetooted. Alkoholi aktsiisimaksuäärad on seotud sõltuvusse alkoholi sisaldusest teatud mahuühiku kohta.

Eristaatuses maksustamise seisukohalt on veinitooted – riikidel on õigus kehtestada veinitootjatele null-määraga aktsiisimaks. Pea pooltes EL riikides selle tagajärjel veinitooteid ei maksustata aktsiisidega üldse. Tegemist on peamiselt Lõuna- ja Kesk-Euroopa riikidega, kus veinitootmine on oluliseks tegevusvaldkonnaks.

Alkoholiaktsiiside laekumisel on riikide lõikes on üpris suured erinevused. Erinevus suurema ja väiksema tululaekumistega riikide vahel (aktsiiside laekumise maht võrreldes SKP-ga) on riigiti enam kui 20 kordne. Nii näiteks on aktsiisitulud vahemikus 0,05% (Itaalia, Luksemburg, Austria) kuni 1,15% Eestis, Leedus ja Soomes, võrreldes SKT-ga. Rühma kõrgeimad tululaekumised alkoholimaksudest on geograafiliselt üsna kontsentreeritud – enamik neist riikidest asuvad Põhjalla-Balti regioonis. Mõnes riigis (nt Eestis ja Leedus) alkoholiaktsiisi laekum riigieelarvele üsna mõjukas sissetulekuallikas.

Riigirahanduse sõltuvus alkoholiaktsiisidest on madalaim Vahemere regiooni maades, kus aktsiiside laekumised moodustavad vaid ühe protsendikolmandiku riigi kogumaksudest. Sellest oluliselt erinev on aga näiteks Eesti olukord, kus valitsussektori eelarve saab lausa ligi 4% oma tuludest alkoholi aktsiisimaksudest. Kõrge on alkoholimaksudest saadav tulu ka teistes Balti riikides; samuti Poolas ja Suurbritannias. Siinkohal võib märgata teatud iseloomulikku tunnust – veinitootjad (tarbivad) maad koguvad vähem alkoholimakse kui riigid, kus kange alkoholi tarbimine on rohkem levinud.

Kuigi on kehtestatud harmoneeritud aktsiisimäärad kõikidele liikmesriikidele, on tegelikud erinevused alkoholitüüpide aktsiisimäärades väga suured. Näiteks õllele kehtestatud aktsiis on Bulgaarias 1,9 eurot *hl/alc* kohta Bulgaarias, samas küündib see 32 euroni *hl/alc* kohta Rootsis.

Olukord on veelgi huvitavam veini maksustamisel. Umbes pooltes ELi riikides ei maksusta veini üldse aktsiisidega; seega on veinitootmine selgelt vähem maksustatud kui muud alkoholitooted. Samal ajal, veiniaktsiisi tulud on üsna suured Briti saartel ja Põhjamaades.

Sarnaselt õllega on ka kange alkoholi maksumäärad Euroopas erinevad enam kui 10 korda. Suurbritannia, Iirimaa ja Põhjamaad on kehtestanud kõrgeimad maksumäärad; Lõuna-Euroopa riikides on lisaks veinile kehtestatud madalamad maksud ka kangele alkoholile.

Aktsiisimaksud kokku moodustavad suhteliselt väikese osa riigi kogutuludest. Maksude laekumise struktuur näitab, et üks kolmandik ELi riikidest ei saa veiniaktiisidest üldse tulu. Kahel kolmandikul riikidest on aktsiisilaekumised veinist väiksemad kui 20%. Nullmaksuga veinimaad on peamiselt loodud Lõuna- ja Kesk-Euroopa riigid. Loogiliselt nende riikide peamised aktsiisitulud saadakse õlle või kange alkoholi maksustamisest.

Alkoholimaksud ja majandusnäitajad

Analüüs näitab, et puudub oluline korrelatiivne seos alkoholi tarbimise taseme, riigi sissetulekute ja kogumaksustamise taseme vahel. Jõukamates või kõrgema maksukoormusega riikides ei tarbita sugugi alkoholi elaniku kohta enam võrreldes madalama sissetulekuga või madalama maksukoormusega riikides. Alkoholiaktsiiside tase ei ole statistiliselt oluline tegur, mis mõjutaks alkoholi tarbimise kogust konkreetses riigis.

Alkoholiaktsiiside laekumine on negatiivses korrelatsioonis kogumaksude tasemega SKP-ga võrreldes, mis tähendab, et kõrgema maksukoormusega riikides on alkoholimaksude osakaal kogumaksutuludes suhteliselt väiksem. Samas korreleerub alkoholi aktsiisimaksude suhe kogumaksudes tugevalt ja negatiivselt riikide maksukoormuse tasemega.

On huvitav märkida, et riikide suuremad eelarvelaekumised veiniga seotud aktsiisimaksudest on korrelatsioonis riigi SKP taseme ja üldise maksukoormusega; samal ajal samasugune korrelatsioon õlle ja kange alkoholi puhul puudub. Teiselt pool on aga olemas ka väga tugev ja positiivne korrelatsioon erinevate alkoholitüüpide aktsiisitasete vahel.

Seda võiks tõlgendada järgmiselt - kui veini aktsiisimaks on madal või lausa null, siis viib see ka teiste alkoholitüüpide aktsiiside tasemed madalamaks. Sellist järeldust võiks põhjendada regulatiivse konkurentsiga erinevate alkoholitootjate vahel. Kui ühe alkoholi aktsiisimaks on väga madal, siis pole mitmesugustel põhjustel võimalik väga erinevalt maksustada ka teisi alkoholi liike. Kui veini aktsiisimaks on lubatud hoida nulltasemel, siis konkurents erinevate alkoholitootjate ja muude huvigruppe vahel (nt. turism, jaemüüjad) hoiab lõppkokkuvõttes madalal ka õlle- ja veiniaktiisi.

Kokkuvõtteks

Alkoholi maksustamine on majanduslikult oluline ja sotsiaalselt tundlik teema kõikides Euroopa riikides. Alkoholiaktsiisid peaksid kujundama tarbijate käitumist, vähendama alkoholitarbimisest tulenevaid negatiivseid välismõjusid ja kompenseerima alkoholi poolt tekitatud sotsiaalseid kahjusid. Euroopa Liidu kontekstis lisandub veel sellel vajadus alkoholitaaktsiise ühtlustada, et ära hoida kahjutoov piiriülene konkurents.

Vaatamata alkoholiaktsiiside harmoneerimisele on nende tase liikmesriikides üsna erinev. Samuti on erinev aktsiisidest saadavad maksutulud võrreldes SKP-ga ja kogumaksutuludega. Selle peamiseks põhjuseks on spetsiifiline erikord veinitoodete maksustamisel. Nimelt on veini lubatud maksustada ka nullmääraga. Neis riikides, kus veinitooted on maksustatud nullmääraga, on madalad ka muule alkoholile kehtestatud aktsiisimäärad. Samas ei sõltu alkoholi tarbimine *per capita* alkoholimaksude suhtelisest tasemest ega ühiskonna jõukusest SKP arvestuses.