**Submission – Wine Equalisation Rebate – Tightened Eligibility Criteria**

1. The need to tighten eligibility has become so great as to threaten the rationale for the rebate in its entirety. Every proposal for change should be looked at through the prism of ‘original intent’, including this one.
2. We believe that the Wines of Western Australia position paper is a fair summation of the situation and we support the proposal in general terms. Our only difficulty is our doubt that it is revenue neutral and the direction the debate may go if it needs to be tightened to achieve this worthy aim.
3. We believe that if further tightening is required it should be to the cap at which the rebate applies. Care must be taken that in attempting to rationalise the rebate, organisational structures are not given a value. The basic unit is as follows:-
4. Get some suitable land and grow some grapes,
5. Turn the grapes into wine,
6. Package the wine, and
7. Sell the product.

It should be immaterial for taxation purposes whether the winemaker is the owner, their employee or an outside contractor. Good winemakers are at a premium and should be able to market their skills as widely as they wish. Requiring small producers to make their own wine on site will simply add to the pool of cheap poor quality wine and damage the industry.

Brian Ede

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