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## **MEDIA RELEASE**

### **Worried about getting WET? Sound out a Rock Star.**

There have been a number of changes to the Wine Equalisation Tax (WET) Rebate eligibility criteria in the 2017/18 Financial Year, and as June 30 approaches, Tax will be on the minds of many Australian winemakers.

The Winemakers' Federation of Australia (WFA) is imploring all producers in the Australian wine sector to ensure they understand and comply with the new WET measures. WFA Chief Executive, Tony Battaglione, said 'it is important that wine producers understand the rules. The last thing a small business needs is trouble with tax, so it is important wine producers understand the rules and don't find themselves in strife with the ATO'.

Key changes in the new WET measures include:

- The test for whether producers are associated, for the purposes of the rebate cap, is applied at any time during the financial year, and not at the end of the financial year. This applied from 1 October 2017.
- The rebate cap for each financial year will be reduced from \$500,000 to \$350,000 from 1 July 2018.
- Tightened eligibility criteria will apply to 2018 and later vintage wine (where more than 50% of the grapes used to make the wine, are crushed from 1 January 2018) sold or dealt with from 1 January 2018, and for all other wines, sold or dealt with from 1 July 2018.

There are reduced circumstances where you can claim a WET credit for:

- 2018 and later vintage wine sold or dealt with from 1 January 2018
- all other wines sold or dealt with from 1 July 2018.

There are changes to the information you must include when buying wine under quote for:

- 2018 and later vintage wine sold or dealt with from 1 January 2018
- all other wines sold or dealt with from 1 July 2018.



WFA undertook a series of roadshows in 2017, with the Australian Tax Office as guest speakers, to explain the implications of the WET Rebate changes. The [Webinar presentation](#) from those seminars is also available to review.

‘The Australian Tax Officers provided such a professional and clear presentation of a complex subject that we christened them ‘Rock Stars’, said Mr Battaglione. ‘They were engaging, transparent and answered participants questions with empathy and understanding.’

The ATO has a dedicated email address for Australian wine producers to contact the WET team directly with any queries regarding the new WET measures - [wetnewmeasures@ato.gov.au](mailto:wetnewmeasures@ato.gov.au).

“It is not often I spruik for the ATO, but they are doing an excellent job on providing information in a complex area. Make sure you know the rules, and if unsure contact, the ATO or your accountant and make sure you retain your WET Rebate eligibility.”

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