

April 6th 2018. Be Sugar-Tax Ready!

WHEN? 6th April 2018

April 2018						
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	1	2	3	4	5

WHAT?

The Department of Health proposed a tax on sugar-sweetened drinks to help tackle growing levels of obesity in Ireland. It was confirmed in the budget last October that this tax will be introduced in April 2018. It is hoped the tax will encourage people to choose healthier drinks more often, and encourage manufacturers to reformulate by reducing added sugar and delivering healthier products.

NO LEVY:
Under 5g sugar per 100ml

NO CHANGE



Lower Rate:
5 - 7.9g sugar per 100ml

LEVY +10c
per 500ml
incl. of VAT.



Higher Rate:
Over 8g sugar per 100ml

LEVY +15c
per 500ml
incl. of VAT.



WHO PAYS?

If the retail store has purchased taxable product from a wholesaler outside the ROI; The responsibility rests on the store owner to submit the paperwork and pay the tax to the government.

SUGAR TAX RATES

	Lower Rate		Higher Rate		
	Tax Per Pack	Plus VAT*	Tax Per Pack	Plus VAT*	
330ml	+5c	+7c	330ml	+8c	+10c
500ml	+8c	+10c	500ml	+12c	+15c
1.25L	+20c	+25c	1.25L	+31c	+38c
1.5L	+24c	+30c	1.5L	+37c	+45c
1.75L	+29c	+35c	1.75L	+43c	+53c
2L	+33c	+40c	2L	+49c	+60c
4x330ml	+22c	+26c	4x330ml	+32c	+40c
6x330ml	+32c	+40c	6x330ml	+48c	+59c

See above the impact on taxable drinks by pack size at two levels - excluding VAT and including VAT @23% (retail):

ACTIONS FOR YOU

- Be range ready - there is a wide range of soft drinks available to choose from that are either below the soft drinks tax threshold or are exempt from the tax
- Offer no & low sugar options of carbonated drinks, energy drinks, mixers & kids drinks
- Offer your customers a choice between full sugar and no / low sugar drinks, but encourage them to choose no & low sugar options where possible
- No/low sugar variants should offer better value for money than their full sugar equivalents once the tax is in place. Shoppers can also be encouraged to choose no/low sugar options through increased visibility, merchandising layout, promotion or feature.