

AUSTRALIAN CAPITAL TERRITORY
SUBSIDIES (LIQUOR AND DIESEL) ACT 1998

**DETERMINATION OF THE RATE OF SUBSIDY FOR LOW-ALCOHOL
LIQUOR AND DIESEL PRODUCTS AND OTHER RELATED MATTERS.**

NO. 187 OF 1998

EXPLANATORY STATEMENT

The *Subsidies (Liquor and Diesel) Act 1998* provides a legislative framework for the payment of subsidies with respect to low-alcohol liquor to ACT licensees, and the supply of diesel to pensioners for home heating and for primary production in the ACT. These are currently provided by administrative arrangements.

Subsections 3(2), 5(1) and 26(1) of the Act, empower the Minister to determine the definition of low-alcohol liquor and, set the rate and method by which low-alcohol liquor and diesel subsidies are to be calculated for the purposes of the Act.

This Determination sets the maximum percentage of ethyl alcohol for low-alcohol liquor products. For liquor other than wine of the grape, this maximum percentage is 3.5% by volume of ethyl alcohol. For wine of the grape, the maximum percentage is 6.5% by volume of ethyl alcohol.

This Determination also sets the amount of subsidy paid to registered liquor suppliers in relation to the sale by the supplier of low-alcohol liquor to an ACT licensee, to be an amount equal to the prevailing Commonwealth wholesale sales tax surcharge paid in respect of that liquor.

Additionally, this Determination sets the amount of subsidy paid to registered diesel suppliers in relation to the sale by the supplier of diesel to ACT certified diesel users, to be 8.149 cents per litre.

Authorised by the Chief Minister and Treasurer.