



Enjoy a fresh look at country life

FERGUSON VALLEY MARKETING & PROMOTIONS INC

29 September 2016

Mr David Pullen
Department of Treasury
Email: wetrebate@treasury.gov.au

Dear David,

RE: WINE EQUALISATION TAX REBATE

The Ferguson Valley Marketing & Promotions Inc (FVMP) is a not for profit organisation supported by the Shire of Dardanup to promote tourism and tourism operations in the Shire of Dardanup.

The Shire has numerous "boutique" wineries. These small businesses are the backbone of the tourism attraction for the Shire of Dardanup and the City of Bunbury. The majority of these wineries are too small to make wine on premises and use contract wine makers to create their product. They all have a considerable investment in the wine industry and tourism, and employ many people.

The FVMP is concerned that if they lose their WET tax rebates they will not be viable. We believe that if the Ferguson Valley loses these attractions it will cease to be a viable tourism destination, which will further impact on the other businesses including accommodation and various galleries and other attractions. We do not believe that is the intended consequence of the proposal to remove and reduce the WET tax rebate.

Most of the wineries above maintain ownership of their fruit while it is being processed and request that this be included in the criteria for eligible WET tax rebate recipients, rather than needing to own the wine processing facility.

The FVMP is also concerned that limiting the maximum wine sales to less than \$500,000 is counter productive, particularly in the current economic environment, as it will diminish the drive to grow the businesses and add value to the tourism attraction.

We hope that you take these factors into consideration when making recommendations for the future of the WET tax.

Yours sincerely

Phil Smith
CHAIRMAN

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