



Youth Work Ireland

Press Release
Youth Work Ireland
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“Below Cost Alcohol VAT Refund Loophole for Retailers should be Closed and Money Ring Fenced for Youth Facilities” says Leading Youth Organisation

A Loophole where a VAT refund can be claimed on below cost alcohol sales should be closed by Michael Noonan in the budget and any additional income ring fenced for youth facilities according to Youth Work Ireland. The organisation was reacting to revelations at the Oireachtas Health Committee that there is actually a VAT incentive for off licences and retailers to sell alcohol at below cost as a VAT refund will emerge. The youth group said such a situation is contrary to all best practice and research and flatly contradicts recent efforts by the Government to address the problem of below cost selling. Young people are often the main target for such below cost selling because of the absence of proper leisure and community facilities. It would be a sensible initiative when youth services are being cut to the bone to ring fence additional income from this measure for proper facilities for this age group according to the organisation.

“It seems bizarre that at a time when the Government is talking about tackling below cost selling and the impact it has on our national alcohol problem that the state itself through the VAT system is incentivising the very same practice. It is all part of a totally unregulated alcohol market which has devastating impacts on local communities. Given that below cost selling has a major impact on consumption by young people it only seems right that any additional income raised by closing this loophole be ring fenced for youth facilities which will provide healthy and meaningful alternatives in communities for young people” said Michael Mc Loughlin of Youth Work Ireland

“The Government badly needs revenue and has in successive years cut the funding to frontline youth services in the most vulnerable communities. It has also steadfastly refused to look at the price of alcohol which has been falling in real terms for a number of years. If everybody is supposed to contribute to solving the current economic crisis the retailers who are doing very well from below cost selling of alcohol and a very profitable alcohol industry should not be immune from contributing” Mc Loughlin added

ENDS

375 words

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