

Vodka Prices Could Jump 36%

By [The Moscow Times](#)

November 19, 2012



Drinkers, like this man standing on Tverskoi Bulvar last year demanding “money for booze,” will be paying more. **Igor Tabakov**

The federal government is proposing to increase the minimum retail prices for hard alcohol, which may cause the price of vodka to skyrocket 36 percent starting Jan. 1.

The Federal Service for Alcohol Market Regulation published a draft decree Friday stipulating that minimum retail prices for vodka could reach 170 rubles (\$5.30) for half a liter, up from the current 125 rubles.

In conjunction with that, retailers wouldn't be able to sell cognac cheaper than 280 rubles for half a liter, compared with the current price of 219 rubles, according to the draft published on the service's website.

The jump could be the result of a planned 30 percent increase in excise taxes for pure alcohol. The tax rate is slated to rise to 400 rubles per liter starting in January, a representative of the service told the RBC newswire late last week.

The draft is pending approval by the Finance Ministry and the Justice Ministry, Vedomosti reported. If approved, it will go into effect next year.

The government expects that increasing the minimum retail prices for strong spirits will help in the fight against producers of bootlegged alcohol, which is usually cheaper than legal products.

The minimum pricing was introduced in 2010, when the lowest possible retail price for vodka was set at 89 rubles. The most recent increase was in July.

To shrink the bootleg market, the Federal Service for Alcohol Market Regulation plans to establish total control over retail sales of alcohol across the country by 2015, with the goal of keeping track of every bottle sold, service head Igor Chuyan said earlier this year.

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