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Germany Drops a Sparkling Wine Tax Increase From Its 2027 Revenue Package

The coalition will seek a Nov. 27 vote on broader hikes for alcohol, tobacco and sugary drinks to raise billions

Thursday, November 19, 2026



Germany’s governing coalition has finalized a tax package for 2027 that would raise levies on alcohol, tobacco and sugary drinks, while dropping a previously planned increase on sparkling wine, according to Lebensmittel Zeitung.

The trade publication reported that the measures are scheduled to go to a parliamentary vote on November 27 as part of the 2027 budget companion law. The package is designed to increase federal revenue, with the government aiming to bring in billions through the new sugar-sweetened beverage tax and higher excise duties on other products.

The decision marks a notable change for the drinks market because sparkling wine appears to have been removed from the planned tax increase even as other alcohol categories face higher charges. That carveout could leave one part of the market with a relative advantage if the broader alcohol tax increases are approved.

Lebensmittel Zeitung said the government is relying on the tax measures to strengthen public finances. The package combines a new tax on sugary beverages with higher duties on tobacco and alcohol, making it part of a wider revenue-raising effort rather than a stand-alone change for one sector.

For beverage companies, the proposal could have direct effects on pricing and margins. Producers, importers and distributors of beer, wine, spirits and soft drinks may have to decide how much of any higher tax burden to absorb and how much to pass on to retailers and consumers. Any difference in tax treatment between sparkling wine and other alcoholic drinks could also influence competition across categories, especially in a market where price changes can quickly affect demand.

Retailers would also be watching closely. Higher excise taxes can change shelf prices, promotional plans and product mix, particularly in categories where consumers may switch to cheaper brands or substitute one type of drink for another. A new sugar-drink tax could add similar pressure in the nonalcoholic segment, especially for makers of sweetened soft drinks.

The coalition’s decision to abandon the planned sparkling wine increase suggests there was room for adjustment inside the package even at a late stage. But the broader direction remains clear: Berlin is seeking more revenue from consumption taxes as it moves the 2027 fiscal legislation forward.

The parliamentary vote on November 27 will be the next key step. If lawmakers approve the package, Germany’s beverage sector would face a new tax framework with uneven effects across product groups, including higher costs for many alcohol and soft drink producers but no added increase, at least in this plan, for sparkling wine.