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## Deceptive Craft Beverage Modernization and Tax Reform Act of 2017 is a \$321 Million Dollar Federal Gift to Big Alcohol

### *Lost federal revenue means lost opportunities to reduce alcohol-related harm*

SAN RAFAEL, CA (May 25, 2017) – [Alcohol Justice](#) released a [new report](#) today that shows that the Craft Beverage Modernization and Tax Reform act of 2017 (CBMTRA) - [S.236 / H.R. 747](#) - is deceptive and will benefit Big Alcohol at taxpayer expense.

*“This dishonest federal measure is being portrayed as an incentive for small craft brewers,”* stated Bruce Lee Livingston, Executive Director / CEO of Alcohol Justice. *“But the real winners are the largest beer and spirits producers in a race to cut their already ridiculously low tax rates.”*

According to the [Alcohol Justice report](#), if signed into law, the measure would result in:

- At least \$321 million dollars in lost excise tax revenue
- \$177 million dollars to the distilled spirits industry
- \$50 million to Big Alcohol “craft” brewers producing over 2 million barrels annually. Tax giveaways strongly favor huge brewers (\$50 million to 7 breweries producing 2-6 million barrels, versus \$76 million to 4,910 brewers producing < 2 million barrels)
- \$18 million lost in an evisceration of tax incentives meant to promote lower-ABV wine

The [report](#) notes that federal alcohol excise taxes have not been raised since 1991, and that this failure to maintain a responsible level of taxation with an inflation index not only costs the government up to \$7 billion per year, it also strips away an effective means to control alcohol use through price increases. Researchers estimate that doubling the federal excise tax would result in a 35% decrease in alcohol-related mortality, an 11% reduction in deaths from automobile crashes, and measurable drops in sexually transmitted infections, violence, and crime. CBMTRA Big Alcohol tax cuts will instead increase all alcohol-related harms.

Conversely, increasing alcohol excise taxes can be used to directly ease and offset the estimated \$249 billion in U.S. annual costs from excess drinking including 88,000 deaths, alcohol-related car crashes, violence, chronic illness, and lost productivity. Lost revenue from CBMTRA tax cuts represent lost opportunities to promote health and safety of alcohol drinkers and could pay 70% of the National Institute on Alcohol Abuse and Alcoholism (NIAAA) annual budget, or 57% of the Veterans Administration expenditures on substance abuse treatment.

*“In light of the persistent failure of the federal government to proactively address alcohol harms, the CBMTRA would be a poor choice in any year,”* added Livingston. *“We encourage the public to [TAKE ACTION](#) and tell their leaders in Washington, D.C. to stop subsidizing Big Alcohol and VOTE NO on the deceptive measure.”*

Visit the Alcohol Justice [Alcohol Tax Calculator](#) at [AlcoholJustice.org](#) for more information on increasing federal and state revenue from raising alcohol taxes.

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