



April 20, 2020

Dear Policymaker:

On behalf of the beer industry in the United States, we want to thank you for your leadership and tireless work as your state navigates through the COVID-19 public health crisis. As you are proposing additional relief to businesses that operate in your state, we respectfully ask you to include a deferral of state excise taxes on beer for calendar year 2020.

Breweries large and small play a critical role in the American economy and are inextricably connected to many other sectors, including the hospitality, restaurant, tourism, agriculture, and retail industries. This combined network supports a workforce of more than 2.1 million Americans and contributes \$328 billion to the American economy annually. We are proud to produce American consumers' beverage of choice for many occasions.

Breweries across America have consistently been leaders in supporting their local communities, and are stepping up during this tremendous time of need. Brewers have responded to the COVID-19 crisis by making hand sanitizer, supporting local bartender and restaurant guilds, halting brewery production to can emergency drinking water, and donating millions of dollars to first responders, healthcare workers, and community partners such the [American Red Cross](#).

As these Main Street businesses continue their community engagement, they themselves need assistance. Right now, the beer industry workforce, supply chain, and consumers are facing a great and unprecedented amount of disruption and uncertainty due to the COVID-19 health crisis. We want to work with you to provide relief and stability immediately for the hardworking Americans whose jobs are at stake.

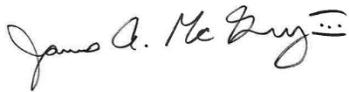
The US Alcohol and Tobacco Tax and Trade Bureau (TTB) has recently granted a postponement of federal excise tax payments for beverage alcohol for three months as a result of the COVID-19 crisis. Specifically, the Treasury Department has allowed brewers to delay any federal excise tax payments that were due between March 1<sup>st</sup> and July 1<sup>st</sup> of 2020, to be paid after the COVID-10 crisis subsides. We applaud the Treasury Department's proactive approach to providing relief.

Altogether, taxes make up more than 40 percent of the cost of a beer. In addition to federal excise taxes, brewers pay business taxes and state excise taxes in all states where their beer is

produced and sold. Granting relief from state excise taxes for the full calendar year is an immediate action you can take to provide much-needed certainty and liquidity to support our workforce and industry partners.

We realize you are under tremendous pressure to provide relief and recovery to your state's workforce and economy. Thank you for considering this option as you look for ways to help hardworking Americans who are facing economic distress. From barley growers to bartenders to truck drivers, we are hopeful you will find a way to preserve the livelihoods of all those whose lives depend on the beer industry.

Sincerely,



---

Jim McGreevy , President & CEO  
Beer Institute



---

Robert D. Pease, President & CEO  
Brewers Association