



National Call the Congress Day Talking Points

*President Donald Trump "We need tax reform that is pro-growth, pro-jobs."
September 27, 2017*

Senate Majority Leader Mitch McConnell "For small businesses, we want to provide the conditions they need to form, invest, and grow." August 2, 2017

Small Business Administrator Linda McMahon "The amount of time and money small business owners spend complying with our complicated system impedes their ability to grow." October 11, 2017

Now is your turn to activate – to get involved. It is critical that the industry unite and take steps to make real a reduction in the Federal Excise Tax

How? Your role?

On **November 1st**, anytime during the day, **contact Congress**. Use the attached reference to call respective House and Senate offices. If your particular state is not listed, contact any of the key offices and alert them to the following:

ACSA agrees with the President and Leaders in Congress that tax relief is critical to business success.

- For craft spirits, real tax relief, however, comes with a reduction of the onerous Federal Excise Tax (FET) for craft spirits producers. Right now, it is a one-size-fits-all flat tax rate on large and small distillers. We simply cannot afford to pay such a burdensome tax.
- Craft distillers DO NOT presently pay a reduced FET despite their smaller size. We need **parity** with beer and wine in the tax code, which has a two-tiered rate based on size. Beer and wine have enjoyed tax credits/a reduction for years. It is time to create parity among the alcohol categories.
- Tax reform must contain H.R. 747 (284 Co-sponsors, *more than any other tax bill in the U.S. House*) or S. 236 (51 Co-Sponsors). These bills reduce the FET for craft spirit producers so they have parity with craft beer and wine.

- The legislation further helps craft brewers and vintners. This is the reason every major beer, wine and spirits group has endorsed these bills.
- While the White House framework released on September 27 will help small businesses generally, it did not address excise taxes. Most craft distillers struggle to make profit with the high FET.
- Last year, distillers paid nearly \$6 billion in Federal Excise Tax (FET). In fact, when Federal, State and local taxes are included 54% of the retail price of a typical bottle of spirits goes to pay a tax of some kind.
- Craft distillers will not be helped by immediate expensing if they cannot afford new equipment due to the high FET.
- The growth of craft distilling is supporting main street, small business job growth, exports, tourism, rural and urban America economic development, and locally sourced products, the vast majority of which are made and sourced in the U.S. In 2017, craft producers employed close to 20,000 FTE with investments by the U.S. craft industry reaching close to \$600 million.
- Please support adding S. 236 and H.R. 747 to any major tax bill the Congress considers this year.
- Thank the office for consideration of this request.