

Alcohol Justice slams 'deceptive' craft beverage act

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California-based organisation Alcohol Justice has hit out at the proposed Craft Beverage Modernisation and Tax Reform Act of 2017 (CBMTRA), calling the measure a "US\$321 million federal gift to big alcohol".



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The non-profit body has released a report which it claims shows that the Act will benefit large alcohol producers "at taxpayer expense".

Introduced in January 2017, the Act seeks to recalibrate the current federal excise tax structure for the drinks industry in a bid to foster economic development and job growth.

Bruce Lee Livingston, executive director and CEO of Alcohol Justice, said: "This dishonest federal measure is being portrayed as an incentive for small craft brewers, but the real winners are the largest beer and spirits producers in a race to cut their already ridiculously low tax rates."

The report states that the the new measure would result in "at least" US\$321m in lost excise tax revenue, with an estimated \$177m benefiting the distilled spirits industry.

According to Alcohol Justice US alcohol excise taxes have not been raised since 1991, costing the US government up to US\$7 billion per year and "stripping away effective means to control alcohol

use through price increases".

The organisation claims that doubling the tax would result in a 35% decrease in alcohol-related mortality, 11% reduction car crash fatalities, and "measurable drops in sexually transmitted infections, violence, and crime".

Alcohol Justice suggests that the increased revenue could be used to offset the estimated US\$249bn in annual costs from excess drinking, which includes chronic illness and lost productivity.

It adds that lost revenue from CBMTRA tax cuts could pay 70% of the National Institute on Alcohol Abuse and Alcoholism 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, DC to stop subsidising big alcohol and vote no on the deceptive measure."