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CRAFT BEER NEWS, EVENTS & JOBS

Justin Kendall Nov. 22, 2017



Senate Tax Bill Gains Steam as Alcohol Industry Watchdogs Cry Foul

Although hurdles still exist, the Senate's tax reform proposal gained momentum today as Alaska Sen. Lisa Murkowski reiterated her opposition to the Affordable Care Act's individual tax mandate, writing in [an op-ed](#) that she supports the repeal of that tax, [according to Bloomberg](#).

That's important to brewers because, as Brewbound [reported last week](#), the Senate's version of tax reform includes excise tax relief that would benefit brewers via the Craft Beverage Modernization and Tax Reform Act (CBMTRA).

CBMTRA would cut the federal excise tax to \$3.50 per barrel (currently \$7) on the first 60,000 barrels for domestic brewers producing fewer than 2 million barrels annually. Additionally, the legislation would reduce the federal excise tax to \$16 per barrel on the first 6 million barrels for all other brewers and beer importers while maintaining the \$18 per barrel excise tax for brewers producing more than 6 million barrels.

However, the modernization bill's inclusion in the Senate's version of tax reform has [drawn opposition](#) from nonprofit advocacy group Alcohol Justice, which said the tax breaks would cost the U.S. \$642 million over two years.

"Of the projected \$126 million annual giveaway to beer manufacturers, \$50 million will be claimed by just seven 'mega-craft' brewers," the organization said in a press release.