



July 8, 2015

Dear Members of Congress,

On behalf of the Beer Institute (BI) and Brewers Association (BA), which together represent the broad spectrum of the brewing industry in the United States, we are writing to ask you to co-sponsor the Craft Beverage Modernization and Tax Reform Act of 2015 (S. 1562/H.R. 2903), which is led by Senators Ron Wyden of Oregon and Roy Blunt of Missouri, and Representatives Erik Paulsen of Minnesota and Ron Kind of Wisconsin.

We applaud these members of Congress for their leadership in introducing legislation that carefully recalibrates and updates the federal excise tax on alcohol and reduces the administrative and regulatory burdens for brewers, importers, and other craft beverage producers. This common sense, forward-looking approach will help the entire beer industry remain competitive, create good-paying jobs, and benefit American consumers.

Specifically, the bill would recalculate excise taxes on beer brewed by small brewers to \$3.50 per barrel for the first 60,000 barrels, and for all brewers and importers at \$16 per barrel up to 6 million barrels annually. The bill also updates federal regulations for beer: allowing for simplified bookkeeping for brew pubs, simplifying the TTB processes for bonding requirements and adding beer ingredients, and easing the restrictions on transferring beers between bonded facilities.

We expect the Craft Beverage Modernization and Tax Reform Act to enjoy broad, bipartisan support and we intend to work together as an industry toward that end.

Should you have any questions about this legislation or the views of our respective organizations, please do not hesitate to call or email us. Thank you for your consideration.

Sincerely,

Jim McGreevy President & CEO

Jame a. Me Bry ::

Beer Institute

Bob Pease

CEO

Brewers Association