



NEWS

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Beer Tax Hike Would Put Thousands of Jobs on the Line

-- A sober critique of hiking the beer tax shows that even more is at stake than immediately apparent --

WASHINGTON, D.C. – As the North Carolina government task force on driving while impaired (DWI) ponders the idea of raising the beer tax, it is important to take a sober look at the issue. Currently, the number that is being floated as a potential rate by which the tax could be hiked is five cents per 12 ounce bottle or can of beer.

Essentially, this would double an excise tax rate which is already the third highest in the nation. Five cents of every beer bought in North Carolina are taxes. Hiking the beer tax would not only strain consumers' wallets, it would also have an impact on thousands of jobs.

“One may think the brewing industry is not exactly a big sector, but in fact it affects many other connected sectors like the retail, transportation, construction, agriculture, travel and entertainment sectors.” says Grover Norquist, president of Americans for Tax Reform in Washington, DC. **“Many jobs are on the line here, and these jobs are too precious to be jeopardized.”**

According to the Beer Institute's Economic Contribution Study of 2003, the beer industry directly provides 20,080 local jobs and a total economic value of \$1,326,500,000 in North Carolina. Taking into account the supplying sector and other connected areas, hiking the beer tax would ultimately affect more than 37,000 jobs.

“The idea is to hike the taxes to reduce the rate of DWI-incidents. However, most consumers drink responsibly, and don't get behind the steering wheel when they drink. And they should pay the tab for the few that drive recklessly? That's wrong, and it's not the real motivation behind the tax hike proposal.” Norquist continues. **“As usual, this is just another way to get more money for increased government spending – and, as usual, the burden is placed on the law-abiding North Carolina taxpayer who enjoys his after-work beer.”**

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all tax increases. For more information or to arrange an interview please contact Chris Butler at (202) 785-0266 or by email at cbutler@atr.org