

POLITICO

Morning Tax

LET'S DRINK TO THAT: Beer, wine and spirits all got a pretty significant tax cut in the Tax Cuts and Jobs Act, [H.R. 1 \(115\)](#), but the bad news for the alcohol industry was that relief was only on the books for two years.

With that time almost up, the Beer Institute is out with a new poll today finding that around two-thirds of voters want Congress to keep the excise tax relief flowing, with young voters especially enamored with that idea.

It's an idea that is popular among lawmakers as well — about three-quarters of both the House and Senate have sponsored permanent tax cut bills for craft beverages. But other groups seeking to have tax relief extended this year also have strong support both on and off the Hill, and the message to all those industries from lawmakers has been the same to all of them: It's not clear that a tax bill will come together before 2020, but if it does, you have a good shot of

getting in. “That’s why I’m hopeful,” said Jim McGreevy, the Beer Institute’s chief executive.

One issue the alcohol industry can point to that others can’t: It would likely be very disruptive to brewers, vintners and distillers if the excise tax cut were to expire and then be restored months (potentially, many months) after the fact, as frequently happens with other tax extenders.

McGreevy said big brewers pay excise tax installments close to every week, and the Brewers Association, which historically advocates for smaller brewers, says most of its members pay their taxes semi-monthly or quarterly. The Distilled Spirits Council noted that any producer who expects to pay at least \$50,000 a year in excise taxes also has to pay every couple weeks. Now, would the industry turn down a retroactive tax cut, and will this message help persuade lawmakers to give it a tax carve-out? No, and we’ll see.