New York distillers support the Craft Beverage Modernization and Tax Reform Act (H.R. 1175/S. 362). If Congress doesn’t enact the Craft Beverage Modernization and Tax Reform Act by the end of the year, craft distillers could face a 400% tax increase. Combined with current financial uncertainty, that would force many distillers to permanently close their doors.

- There are over 160 craft distilleries in New York State.
- Approximately three-quarters of New York craft distilleries are considered “farm distilleries” by the State of New York, meaning they use at least 75% New York-grown agricultural products in their distilled spirits.
- In 2018, New York had the 2nd highest number of craft distilleries of any state in the country.

### Economic Data

<table>
<thead>
<tr>
<th>JOBS</th>
<th>STATE GDP</th>
<th>STATE EXPORTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>91,000</td>
<td>$7.9B</td>
<td>$32M</td>
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</table>
“Hillrock Estate Distillery is a small, family owned business and the reduction in federal excise tax has had a very material impact on our operation. We were able to utilize the federal excise tax savings to hire several new employees and increase production. The savings has been “re-invested” dollar for dollar into the local community and has no doubt created a multiplier effect.”

- **Jeffrey Baker**  
  *Hillrock Estate Distillery*  
  Ancram, New York

“Within a month of enactment, tax savings from the CBMTRA let us hire our first full-time salesperson and a part-time production assistant and commit to distilling and putting down to age an additional 100 barrels of rye whiskey. Before, federal excise taxes cost us more per gallon than making the actual spirits. This reduction in taxes gives the small distiller a better shot at success and gives the consumer more high-quality choices in what to drink.”

- **Tom Potter**  
  *New York Distilling Company*  
  Brooklyn, New York