



April 12, 2021

The Honorable Katherine Tai
United States Trade Representative
Executive Office of the President
600 17th Street, NW
Washington, DC 20508

Dear Ambassador Tai,

On behalf of the Toasts Not Tariffs Coalition, which includes 48 U.S. associations representing the entire three-tier chain of the U.S. alcohol industry, we are writing to seek your urgent support in securing the permanent removal of all EU, UK, and U.S. tariffs on distilled spirits and wines imposed in connection to unrelated trade disputes.

The recent agreements between the U.S., EU and UK to suspend tariffs on certain wines and spirits, including the 25 percent tariffs on exports of U.S. rum, brandy and vodka to the EU and UK, are significant steps in the right direction. This will support the recovery of distilleries, restaurants, and bars across the U.S. that were forced to shut down during the pandemic.

However, the EU and UK continue to impose a 25 percent tariff on American Whiskeys, including Bourbon, Tennessee Whiskey, American Rye Whiskey and American Single Malt Whiskey, which puts these products at a competitive disadvantage in those markets. The devastating impact of these tariffs on American Whiskey in our most important export markets is clear; since these tariffs were imposed in June 2018, American Whiskey exports have declined by 37 percent to the EU and by 53 percent to the UK.

In exactly 50 days, the EU's tariff is scheduled to double to 50 percent, further exacerbating the unlevel playing field in the EU market for American Whiskeys. Moreover, we are gravely concerned that if urgent action is not taken to lift these tariffs, many small U.S. distilleries will not be able to recover from the devastating impacts of both the tariffs and the pandemic.

On behalf of producers, importers, wholesalers and retailers that comprise the U.S. hospitality sector, we commend the Biden Administration for working to reestablish positive relationships with the EU and UK. We urge you to continue this positive momentum by prioritizing the permanent removal of EU, UK, and U.S. tariffs on distilled spirits and wine, which will help support U.S. jobs and businesses as the economy continues to recover.

Thank you for your consideration.

Sincerely,

American Beverage Licensees
American Craft Spirits Association
American Distilled Spirits Alliance

American Distilling Institute
American Single Malt Whiskey Commission
Arizona Craft Distillers Guild

Atlantic Seaboard Wine Association
California Artisanal Distillers Guild
Colorado Distillers Guild
Connecticut Spirits Trail
Distilled Spirits Council of the United States
Florida Craft Spirits Association
Idaho Distillers Association
Illinois Craft Distillers Association
Independent Restaurant Coalition
Iowa Distillers Alliance
Kentucky Distillers' Association
Louisiana Distillers Guild
Maryland Distillers Guild
Michigan Craft Distillers Association
Montana Distillers Guild
Napa Valley Vintners
National Association of Beverage Importers
National Association of Wine Retailers
National Council of Chain Restaurants
National Restaurant Association
National Retail Federation

New Hampshire Distillers Guild
New Jersey Craft Distillers Guild
New York State Distillers Guild
North American Shippers Association
NY Wine Industry Association
Ohio Distiller's Guild
Oregon Distillers Guild
Oregon Wine Council
Pennsylvania Distillers Guild
South Carolina Craft Distillers Guild
Tennessee Distillers Guild
Texas Distilled Spirits Association
The Maryland Wineries Association
U.S. Wine Trade Alliance
Virginia Distillers Association
Washington Wine Institute
Willamette Valley Wineries Association
Wine & Spirits Wholesalers of America
Wine and Spirits Shippers Association
Wine Institute
WineAmerica